

PHOTO OF THE DAY



Kelemen Hunor, head of the Romanian Hungarian Democratic Association (RMDSZ), with other party officials

MTI/Gábor Kiss

UPCOMING EVENTS

NATO eastern flank summit in Riga

Election aftermath

Plenary session of parliament

Events related to the wars in the Middle East, Ukraine

TOP STORY

FIDESZ 'COULD HAVE WON TWO-THIRDS'

The ruling Fidesz-Christian Democrat alliance garnered 44.61% of the European parliamentary elections on Sunday, likely sufficient to win a two-thirds parliamentary majority at home, according to the Nézőpont Institute.

The results of the coalition of the leftist parties (8.1%), the new entrant Tisza party (26.7%) and the Our Homeland party (6.8%) "would not be enough to topple the government or to dismantle the two-thirds majority of the ruling parties," Nézőpont said. According to its calculation model, if Hungary had held national elections on Sunday, the ruling parties could have secured 135 parliamentary seats, while the opposition parties "would have suffered an even greater defeat than in 2022". In such a scenario, the Tisza party would be the largest opposition group with 45 mandates, the leftist parties' coalition with 10 mandates, and Our Homeland with 8 mandates. It said that parties that had failed to make it to the EP this time would not have won seats in the Hungarian parliament, either, the think-tank said.

Analysts of various research institutes were in agreement that the Fidesz-led alliance achieved "a very good result" considering the war, the difficult circumstances, and that they are in the middle of their term. Sunday's elections, they said, proved that "Hungary is a right-wing country".

**ANALYSTS: RULING
PARTIES' RESULT WOULD
TRANSLATE TO 2/3RDS
MAJORITY IN GENERAL
ELECTION**

The result achieved by the ruling alliance of Fidesz and the Christian Democratic People's Party (KDNP) in the European parliamentary elections "would probably have earned them a two-thirds majority" in a general election, according to analysts who spoke at a roundtable discussion organised by the Nézőpont Institute and Mandiner on Monday. Analysts of the Center for Fundamental Rights, the Nézőpont Institute, the Századvég Foundation and the XXI. Század Institute agreed that Fidesz and KDNP had achieved "a very good result" considering the war, the difficult circumstances, and that they are in the middle of their term. Sunday's elections, they said, had proven that "Hungary is a right-wing country".

Presenting the think-tank's model, Nézőpont Institute director Ágoston Sámuel Mráz said that an identical outcome in a general election would have translated to 135 parliamentary seats for Fidesz-KDNP, 45 for the Party of Respect and Freedom (Tisza), 10 for the left-wing alliance comprising the Democratic Coalition (DK), the Socialist Party and Dialogue-Greens and 8 seats for the Our Homeland Movement. He said that as long as the opposition was fragmented and support for the ruling parties was as high as it is now, Fidesz-

KDNP was likely to win a two-thirds majority in every election.

Miklós Szánthó, head of the Center for Fundamental Rights, said that counting Sunday's local elections, Hungary's right wing stands at 16 election victories since 1990. He added that he did not see the "political earthquake in Hungary" that Peter Magyar, the deputy leader of Tisza, had spoken of after Sunday's elections. Márton Békés, director of the XXI. Század Institute, attributed Fidesz's local election losses in some major and smaller cities to "problems at the personal level" and changes in the political mood. He also pointed out that Fidesz-KDNP had never received as many votes in an EP election as it did on Sunday. Meanwhile, he warned of "sovereignty protection concerns" behind Tisza's surge, arguing that it could not be ruled out that the party was being financed from abroad through "micro-donations".

**ORBÁN: FIDESZ WOULD
HAVE AGAIN SECURED
TWO-THIRDS MAJORITY**

Had a general election been held on Sunday Fidesz would have secured another two-thirds majority, Viktor Orbán said in an interview to public television. The prime minister said the ruling party's "convincing" 14-15% lead over the party in second place was a "decent result" and his party won the EP election with an advantage "streets ahead". "There isn't a party that wouldn't trade with us," he added.

Hungarian democracy "is alive and well", he said, thanking voters for the 57% turnout in Sunday's elections. Hungary's ruling Fidesz party has won European parliamentary elections with over 50% of the vote in the past, he noted, adding that because of the high turnout, the 44.6% vote share and the more than 2 million votes cast for Fidesz mean that the ruling party received a record number of votes.

Concerning the importance of mobilising the party's base, the prime minister said there were always voters who had to be mobilised, but this time everyone had been told that this election was a matter of war or peace. Orbán said this election had been "more complex than usual" because of the EP elections coinciding with the local elections. "What's more, we had to beat two oppositions: the old and the new. And we did, by 14-15%," he added.

Meanwhile, he said the European parliamentary elections were won by the pro-peace side. Orbán said the election had been a chance to slow Europe's drift into the war. He said this had been stopped in France, too, with the pro-peace forces winning by such a large margin that an early parliamentary election had to be called. "We await President Donald Trump ... and then there will be peace," the prime minister added.

**DONÁTH RESIGNS AS
MOMENTUM LEADER**

Anna Donáth on Monday announced her resignation as leader of the



opposition Momentum Movement after deeming her party's performance in the European parliamentary elections "a failure". In a post on Facebook, Donáth said the ruling alliance of Fidesz and the Christian Democratic People's Party had suffered defeats "in symbolic places", and had failed to garner 45 percent of the vote for the first time in an EP election. "There is a glimmer of hope that this regime can end -- and whoever denies this hope out of selfish interests is doing Hungary a disservice," she said. Donáth attributed the Momentum Movement's failure to do well in the EP elections to voters "saying 'yes' to strength rather than their saying 'no' to Momentum's work in the European Parliament".

RESULTS FOR BUDAPEST MAYORAL ELECTION WITH 100.00% OF VOTES COUNTED

The National Election Office said on Monday morning that candidates for Budapest mayor have garnered the following percentage of votes with 100% of the votes counted. Gergely Karácsony for the Democratic Coalition-Socialists-Dialogue-Greens leads with 47.53% (371,467 votes). Dávid Vitézy representing the For Budapest with Dávid Vitézy-LMP-Greens comes second with 47.49% (371,143 votes). Dr András Grundtner for the Our Homeland Movement is placed third with 4.98% (38,943 votes).

SZIJJÁRTÓ: 'EUROPE CANNOT BE SECURE WITHOUT SECURITY IN AFRICA'

Europe "cannot be a secure place" if there is no security in Africa, Péter Szijjártó, the foreign minister, said in Budapest at a press joint conference held with Abdoulaye Diop, Mali's minister of foreign affairs and international cooperation. The Sahel region is one of Africa's most vulnerable areas "therefore we could say that Europe's security is determined in the Sahel," Szijjártó said. He said a visit by his counterpart from Mali, for the first time in 47 years, was "more topical than ever" amid security challenges both in the Sahel and in central Europe: "armed conflicts, wars, and migratory pressure". High energy prices, inflation, and challenges around food supply are "daily problems" in the Sahel, he said, adding that the threat of terrorism was also on the rise. Terrorism could also be combatted through international cooperation, he said. "When terrorism is on the increase it will trigger more serious waves of migration ... and the Hungarian government will provide every assistance to countries in the Sahel region to ensure stability and peace, helping local governments successfully fight terrorism," he said.

The minister said Hungary's upcoming European Union presidency would work to make the European continent "a secure place again ...

where there is no war, a continent where migration could be stemmed." He said a successful strategy required that "mutual respect should be restored" in international politics ... and it needs dialogue rather than diktats, declarations or lecturing". Mali and Hungary "have a natural cooperation based on mutual respect", Szijjártó said, and noted that the Hungarian government had helped that country with some 40 million forints "to make the life of people in Mali better and more secure" through programmes under the Hungary Helps scheme.

He said Hungarian voters had clearly supported the government in its policies, adding that the over 2 million votes cast for ruling Fidesz on Sunday were "the highest number a party has ever garnered in Hungary in a European parliamentary election". He said garnering 44.6% of the votes "is worth a European champion title in countries with more than two parties running in the election."

Answering a question, Szijjártó said he regretted the recent resignation of Culture and Innovation Minister János Csák, noting an "excellent cooperation" with him as well as his personal appreciation.

SZIJJÁRTÓ: SUCCESSFUL HUNGARY-IRELAND ECONOMIC TIES A GOOD BASIS FOR POLITICAL DIALOGUE

Though the two countries disagree on several issues, "successful economic

cooperation" between Hungary and Ireland provides a good foundation for political dialogue, Péter Szijjártó, the minister of foreign affairs and trade, said in Dublin. Szijjártó said he had discussed Hungary's preparations for its upcoming European Union presidency along with Europe's security and economic situation with the Irish foreign minister, Micheál Martin.

Szijjártó noted that there are 15,000-20,000 Hungarians living in Ireland, and Hungary will soon open a consular mission in Cork. Trade turnover between Hungary and Ireland reached a record 2 billion euros last year, he said. The two countries concluded agreements on six major Irish business investments in Hungary over the past decade, and recently Hungarian pharmaceutical company Gedeon Richter has carved itself a substantial market share selling gynaecology products in the country, he added. "So there are success stories, but there are obviously also disagreements on political issues," Szijjártó said. "We will be assuming the rotating presidency of the Council of the European Union at a very dangerous time, since Europe faces numerous security and economic challenges."

To address these issues, Szijjártó said Hungary would do everything during its presidency to advance the EU accession of the Western Balkan countries. He said if the EU failed to advance the accession process over the coming months, it would raise questions over the credibility of the bloc's enlargement policy.

Hungary will also continue the fight against illegal migration, he said, emphasising that the country would not give up its right to decide whom it wants to live together with. Neither would Hungary accept any redistribution quotas or a penalty for refusing to take in migrants, he added. Also, he said, Hungary insists that taxation must remain a national competence, explaining that having "the lowest payroll taxes in the EU", the flat-rate taxes, including the personal income tax, and the only single-digit corporate tax rate gave Hungary "a huge competitive advantage".

Meanwhile, Szijjártó said there was an overlap between Hungary's and Ireland's positions on certain matters related to sovereignty "which we will possibly cooperate on with the Irish colleagues during the six months of the EU presidency".

Szijjártó said he was later scheduled to hold talks with representatives of Eaton Corporation, which employs more than 1,000 people in Hungary.

BÓKA: 20 DAYS BEFORE HUNGARY'S EU PRESIDENCY BEGINS

Hungary has held more than 250 meetings with all EU member states, candidate states, institutions and European umbrella groups in preparation for its presidency, János Bóka, the minister of European Union affairs, has said, calling the scale of preparations "unprecedented". He said in a Facebook post on Monday

that Hungary expected 122 extended legislative dossiers, with 55 of them "in the council" and 30-35 dossiers planned to move forward during negotiations between the European council and the European Parliament. Hungary's presidency plans 1,500 council working group meetings, he said, with 37 formal council meetings held in Brussels and Luxembourg, 230 presidency events held in Hungary, including 16 informal council meetings, as well as an informal European Council meeting and a European summit. Bóka said the staff of Hungary's Permanent Representation to the EU has doubled, with 265 people in Brussels working on the presidency's preparations and administration. He noted today he attended a joint meeting of parliament's foreign affairs committee and European affairs committee and briefed MPs on the main objectives related to the presidency's preparations and progress made thus far.

STATE SECY HANKÓ TO BE CULTURE, INNOVATION MINISTER

Balázs Hankó, the state secretary for innovation and higher education, said on Monday that "it is an honour as well as a responsibility" to be asked by the prime minister to fill the post of minister of culture of innovation, adding that "I've been assigned not a post, but a task". In an interview to MTI, Hankó thanked János Csák, the outgoing minister, for "all I have learned from him about leadership

and diplomacy". Speaking about his professional background, he said he had helped the work of the government since 2010 first as an advisor on health care, later as ministerial commissioner for the development of medical universities and afterwards as deputy state secretary for higher education. Hankó said he had taken up the post of deputy state secretary for higher education in the summer of 2022 and was appointed to oversee the areas of higher education, vocational and adult training, and innovation in December that year. Hankó highlighted the importance of family, saying that "as minister, I view it as my primary future task to maintain Hungary's fundamental goal to support families and those who plan to start one."

In the area of higher education, the incoming minister highlighted the importance of boosting the competitiveness of Hungarian universities and further boosting vocational training.

HUNGARY INFLATION 4.0% IN MAY

Hungary's annualised consumer price index reached 4.0% in May, the Central Statistical Office (KSH) said. Headline CPI reached the 3.0% +/-1 percentage point tolerance band of the National Bank of Hungary (NBH) in January after peaking at 25.7% a year earlier, supported by government measures and central bank monetary policy. Food prices rose by 1.0% in May. Household energy prices

fell by 2.4%. Gas prices were 4.7% lower and electricity prices declined by 2.9%. Consumer durable prices edged down 1.7%. Prices in the category of goods that includes vehicle fuel rose by 5.1% as motor fuel prices increased by 9.2%. Harmonised inflation, adjusted for better comparison with other European Union member states, reached 3.9%. Core inflation, which excludes volatile fuel and food prices, was 4.0%. The CPI calculated with a basket of goods and services used by pensioners was 3.9%. Month on month, consumer prices edged down 0.1%.

Commenting on the data, Márton Nagy, the national economy minister, said that inflation had "collapsed" as a result of targeted government measures such as mandatory discounts at big supermarket chains and an online platform for monitoring food prices. The price competition generated by government measures kept the inflation low, he added. "Low inflation benefits families and the economy as well," the ministry quoted Nagy as saying. The minister added that "in a positive chain reaction" in the national economy, real wages had been rising since September increasing the value of a family's income.

MAY SURPLUS BRINGS BUDGET DEFICIT TO HUF 2,548.5 BN

A 49 billion forint surplus (EUR 120m) for May brought Hungary's cash flow-based general government deficit to 2,548.5 billion forints at the end of

the month, the finance ministry said in a preliminary release of data. The central budget had a deficit of 2,559.7 billion forints at the end of May and the social security funds were 104.3 billion forints in the red, but separate state funds were 115.5 billion forints in the black. Interest expenditures, which included large payments on retail government securities, came to 1,760.6 billion forints in January-May, up 659.4 billion forints from the same period a year earlier, the ministry said. Expenditures for European Union-funded programmes reached 801.9 billion forints, while transfers from Brussels came to 546.2 billion forints, the ministry said. The ministry said revenue from taxes and contributions was up by 9.9% from the base period. The ministry affirmed the government's commitment to reducing the deficit and state debt, noting an earlier decision to postpone 675 billion forints in state investments to achieve the 4.5%-of-GDP deficit target, while moving ahead with projects worth several billion forints this year. The budget continues to ensure the resources necessary to protect pensions and family subsidies as well as to keep the system of regulated household utilities in place, the ministry said.

FIRST OF NEW CAF TRAM ORDER ARRIVES IN BUDAPEST

Compartments of the first of 51 Spanish CAF trams to be assembled

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in Budapest have arrived in the city, municipal public transport company BKK said on Monday. The new compartments will increase the ratio of low-floor trams in Budapest from the current 30% to 40, BKK added. The CAF components will be assembled by Hungarian mechanics supervised by the trams' Spanish manufacturer, the company said, adding that all trams were expected to arrive by late summer in 2026. The new trams purchased with European Union co-financing will run in south-eastern Budapest. BKK said it was mulling the purchase of another 110 modern trams before 2030.

LIBERTY DUNAÚJVÁROS SHUTS DOWN COKE OVENS

Hungarian steel maker Liberty Dunaújváros has started shutting down its two coke ovens, Indian owner Liberty Steel said on Monday. The coke ovens, which are inefficient

and difficult to maintain, are being shut down as Liberty Dunaújváros prepares to make the switch to green steel. Liberty Steel noted that it had recently signed a contract with China's CISDI Engineering on the delivery of an electric arc furnace that would cut carbon emissions by around 80%. In the meantime, Liberty Dunaújváros is working to ensure employees affected by the measure are retrained and transferred to other areas within the company. Liberty Steel acquired the assets of troubled steelmaker Dunafer for 20 billion forints in a liquidation procedure in the summer of 2023. In a separate statement, the national economy ministry said the government will support the technology transition at Liberty Dunaújváros with all means at its disposal and pointed to employment programmes that could smooth the switch. The government remains in close contact with the company, it added.

FLOODING RÁBA EXPECTED TO PEAK AT RECORD LEVEL ON MONDAY EVENING

The national water management directorate OVF has mobilised some 400 staff members from across the country to assist with flood defence operations at the River Rába which is expected to peak at a record water level at Körmend near the Austrian border on Monday evening, the authority has said. The Rába peaked at Szentgotthárd on Sunday evening at 422 centimetres, a water level that required the highest, third degree alert, OVF said, adding that the river was flooding "intensively". The staff have so far prepared 120,000 sandbags to build a 2.5km flood defence barrier. Flood alerts are in place on 912.4 kilometre-long river sections with a highest degree alert put in place along 10.42 kms, said OVF.