

## PHOTO OF THE DAY



MTV/Tibor Katona

First Hungarian-made Lynx delivered to Armed Forces

## UPCOMING EVENTS

Events related to Hungary's EU presidency

Events related to the war in Ukraine

Băile Tușnad summer university events

Presser on Debrecen Flower Carnival

## TOP STORY

### ORBÁN 'ONLY PM TO REACH GLOBAL LEADERS'

"Hungary's peace mission is causing huge frustration across Europe," Foreign Minister Péter Szijjártó said in an interview published by the Swiss weekly Weltwoche on Wednesday.

Europe's politicians are "jealous" of Prime Minister Viktor Orbán, since "it has become very clear that our prime minister is the only one in Europe who can reach such players of global politics and security" as the presidents of Russia, China, Türkiye, or former US president Donald Trump, Szijjártó said. Leaders of the EU "have made it clear that Hungary is not authorised to represent the EU in those talks", Szijjártó said, but stressed that Orbán "did not speak in the name of the EU ... obviously, we are fully aware that the rotating presidency has nothing to do with a diplomatic representation of the EU". Orbán made his foreign visits "in his own role, because the European Union is not currently considered an important player in world politics", the minister said. Orbán, on the other hand, "is one of the prime ministers having served the longest time in his post in Europe, he has broad credibility in the world, and he is revered for his vision of the future and for the courage to promote that vision", Szijjártó added.

Hungary Matters is an English-language newsletter produced and distributed by the Media Service Support and Asset Management Fund (MTVA) with content provided by Duna Media Service Provider exercises copyright over all content. No part of this publication may be copied, reproduced, redistributed or transmitted without prior written permission from the publisher, with the exception of copies made by individuals for private use, educational purposes or scholarly research, provided that such transmissions do not exceed the extent justified by the purpose and are not aimed at financial gain, even indirectly, and the source name are indicated at all times.

All rights reserved. Enquiries should be made to the English Help Desk at +361 441 9340  
For MTI's real time coverage please visit <http://english.mti.hu>, <http://econews.hu>



## **SZIJJÁRTÓ: BULGARIA OFFERS TO HELP HUNGARY MANAGE DIFFICULTIES CAUSED BY UKRAINE OIL TRANSIT BAN**

Bulgaria has offered to help Hungary manage the difficulties that have arisen after Ukraine's ban on the transit of oil from Russia's Lukoil, Péter Szijjártó, the minister of foreign affairs and trade, said in Bucharest on Wednesday. Speaking after talks with Vladimir Malinov, Bulgaria's minister for energy affairs, Szijjártó said they had reviewed the situation that had arisen due to Ukraine's "unacceptable" move to render Lukoil's crude oil transits to Hungary and Slovakia impossible. "Not only are they endangering Hungary's and Slovakia's energy security by doing this, but they are also violating the association agreement between the European Union and Ukraine," Szijjártó said, according to a ministry statement. Meanwhile, he said the EU's Trade Policy Committee set to discuss the issue had convened in Brussels on Wednesday.

"It's clear that certain EU member states continue to represent a political stance, and despite the fact that the step taken by Ukraine obviously violates the security of Hungary and Slovakia's energy supply as well as the EU-Ukraine association agreement, they're trying to defend Ukraine and clearly don't care about the European Union's internal solidarity," Szijjártó

said. "We'll see when the European Commission formulates its position and convenes the consultation between the European Union and Ukraine, which we expect to result in Ukraine lifting the ban on Lukoil oil transits," he added.

Szijjártó noted that a significant share of Hungary's natural gas supply was delivered via Bulgaria, and that the country was among the most reliable in the region. Hungary received 5.6 billion cubic metres of natural gas through Bulgaria last year and 3.9 billion so far this year, he said. "Bulgaria respects all of its obligations as a transit country," he said. Szijjártó said his Bulgarian partner had offered to help Hungary in connection with the situation that has arisen after the Ukrainian ban. "Though there's no direct crude oil delivery link, i.e. pipeline between the two countries, he did say that if we needed further volumes of oil, they are capable of getting it to Hungary," Szijjártó said. "Offering this kind of help is another nice and friendly gesture from Bulgaria."

## **SZIJJÁRTÓ: GROWTH HINGES ON NUCLEAR AND SOLAR INDUSTRY, CAR INDUSTRY TRANSITION**

The nuclear and solar energy industries, and the e-transition of the car manufacturing industry are the three pillars on Hungary's long-term growth, the minister of foreign

affairs and trade said in Bucharest on Wednesday. Speaking at a meeting of the Partnership for Transatlantic Energy and Climate Cooperation (P-TECC), Péter Szijjártó said the goals stemmed from the government's commitment to making Hungary carbon neutral by 2050.

It is also committed to making up to 90% of the country's energy production sustainable and carbon dioxide free by 2030, Szijjártó said, according to a ministry statement. He lamented the "ideologically motivated debates" on the matter of nuclear energy but welcomed that the majority of EU member states and the US "can work together as pro-nuclear countries". With the upgrade currently under way, the capacity of Hungary's nuclear power plant at Paks is going to increase to 4,400 MW from 2,000 MW, and will provide some 70% of the country's energy demand, he said. The two new blocks will enable Hungary to decrease the emission of carbon dioxide by 17 million tonnes, and to cut its gas imports by 2.5-3 billion cubic meters annually, he said. The new blocks will provide "safe and carbon neutral supply of electricity" for 1.8 million households, he said.

Meanwhile, the investment will create some 3,000 jobs directly and another 11,000 indirectly. The construction and operation will boost Hungary's GDP by 50-65 billion dollars over 60 years, he said. Regarding solar energy, Szijjártó told the panel discussion that Hungary increased its capacity eight-fold in the past five

years, to 6,700 MWs. That constitutes 47% of the country's total power plant capacity, he said.

Regarding the automotive industry, Szijjártó said Hungary was home to manufacturing sites of all three premium German carmakers, and five of the largest battery producers for e-cars. Szijjártó noted that environmental and climate goals could not be achieved without the car industry's transition to electric vehicles. Those two branches are cooperating tightly, he said. "German electric cars [are] running on Chinese batteries. This is the reality." Hungary is currently the fourth largest e-battery producer in the world, and will leap to 2nd place once the investments under way are completed, he said.

Regarding gas and crude supplies, he said supply purchases were determined by infrastructure, and so "it is based on a physical reality", rather than a political issue. Hungary "would be very happy" to diversify its supplies, but it would need alternative routes to do so, he said. Hungary and Slovakia earlier turned to the European Commission, requesting to increase the capacity of the Croatian delivery route, but that came to nothing as "Zagreb increased transit fees five times," Szijjártó said. Meanwhile, Hungary started importing gas from Azerbaijan earlier this year, and is the first non-neighbouring country to buy gas from Türkiye. Hungary was one of a group of countries that turned to the EC to increase the capacity of that pipeline, but the EC rejected

the plea to financially support the development, he said.

**EU COMMISSIONER: STATE OF RULE OF LAW SLIDING IN CERTAIN COUNTRIES**

Presenting the European Commission's 2024 rule of law report in Brussels on Wednesday, Commissioner Věra Jourová said 68% of the recommendations of last year's report have been fully or partially complied with, but the situation remains concerning in certain member states. Jourová, the EC's Vice-President for Values and Transparency, said the state of judicial independence was "concerning" in certain countries and was deteriorating in some others. She said corruption was also concerning in the bloc, and called for measures to strengthen the framework for the prevention of graft in connection with lobbying activities, conflicts of interest and asset declarations. The effective investigation and prosecution of corruption should also be strengthened, she said.

The country report on Hungary said the country has started implementing the 2023 judiciary reform. "The National Judicial Council is exercising its new competences to effectively counterbalance the powers of the President of the National Office for the Judiciary," the report said. While case allocation at Hungary's Supreme Court, the Kúria, has become more transparent, the same in lower courts remains concerning, the report said.

"The freedom of expression of judges remains under pressure and smear campaigns against judges continue in the media. The level of remuneration of judges and court staff has further deteriorated," the report said.

Hungary has adopted a new anti-corruption strategy and legislation against lobbying and the "revolving door effect" were in planning, the report said. At the same time, "enforcement and oversight remain an issue as regards asset declarations." On the matter of institutional safeguards, the EC found that "the new Integrity Authority reports certain obstacles in fulfilling its oversight tasks effectively, and the impact in practice of the Anti-Corruption Task Force remains to be seen."

While some high-profile corruption cases have reached the indictment stage, Hungary had yet to investigate corruption charges against high-ranking officials or their immediate circle, the report said. "The suspension of commitments from EU funds under several EU programmes and the lack of disbursements following a payment request under the Recovery and Resilience Plan persist, as no new measures have been adopted to remedy the outstanding rule of law and anti-corruption issues," the EC said. Hungary's government has yet to plan measures to regulate state advertising in state media, and to ensure the independence of the media authority and the editorial and financial independence of public media, it said. "Journalists and



independent media outlets continue to face numerous challenges including seemingly coordinated smear and de-legitimisation campaigns, and selective access to government premises and events.”

The report also criticised “the quality of law-making and the frequent changes of legislation” in Hungary, adding that “the Constitutional Court still reviews the merits of final rulings of ordinary courts in politically sensitive cases”. In Hungary, “obstacles affecting civil society organisations persist, while the new Protection of National Sovereignty Act further undermines civic space. Concerns related to the State’s role in financing civil society continue,” the report said.

### **NÉMETH: ‘ESCALATION OF VIOLENCE AND AGGRESSION MUST BE PROTESTED AGAINST’**

Zsolt Németh, the head of Hungarian parliament’s foreign affairs committee, called for protesting against the escalation of violence and aggression, said at the Bálványos Summer University in Băile Tuşnad, Romania, on Wednesday. Addressing the opening of public interest event, Németh called “dramatic” the recent premeditated assassination attempt against former US president Donald Trump and earlier against Slovak Prime Minister Robert Fico. “The escalation of violence and aggression must be protested against. It is unacceptable and goes against all what Tusványos was launched

for 33 years ago,” he said. Németh said that in the European Parliament “a majority has been formed which tramples on the basic rules of EP procedures disallowing thereby the distribution of position in proportion of the mandates,” and called for protesting against confrontation and standing up for cooperation and dialogue. “We want to build a country and Europe where different ways of thinking, different views and political approaches can coexist,” he said.

### **HUNGARY, ROMANIA SIGN TRANSPORT AGREEMENT**

Representatives of Hungary and Romania have signed a transport agreement aimed at starting preparations for a new railway line between Szeged, in southern Hungary, and Romania’s Timisoara (Temesvár), as well as opening a new border crossing facility at Kübekháza, the foreign minister said in Bucharest on Wednesday. Péter Sziijártó spoke after talks with Sorin Grindeanu, the Romanian traffic and infrastructure minister, and said the two governments would bid for European funds to finance the Szeged-Timisoara line. Under the agreement, a joint working group will be set up and a feasibility study completed, the minister said, adding that the railway service would benefit both countries “both from an economic and a patriotic point of view”.

The Hungarian and Romanian governments have also submitted

a joint bid to the EU for funding to rebuild a bridge over the river Maros at Magyarcsanak, Sziijártó said, adding that he was hopeful as “the bid has been given a good evaluation”. The new links will make “the fabric of cross-border cooperation stronger,” he said, adding that “it is good to have good ties with neighbours rather than being on bad terms ... it is especially true when the neighbouring country has a large Hungarian community.” He said both countries had an interest in Romania’s Schengen integration, adding that the Hungarian EU presidency would work to eliminate border controls at the Hungary-Romania border.

### **DEFMIN: FIRST HUNGARIAN-MADE LYNX ROLLS OFF ASSEMBLY LINE**

The first Lynx KF41 armoured infantry fighting vehicle built in Zalaegerszeg, in western Hungary, has rolled off the assembly line, the defence minister said at the Rheinmetall factory in Zalaegerszeg on Wednesday. Kristóf Szalay-Bobrovniczky said the war in Ukraine had shown that defence industry production capacities required long-term development and planning. He said Hungary’s defence industry needed to be rebuilt, and the country needed to build “fruitful partnerships in order to obtain what we lack”. The minister said Hungary’s defence industry was already performing well at an international level, and the Gidran armoured

vehicles and drones manufactured in the country were among the best in the world. Szalay-Bobrovniczky said Hungary valued the role Rheinmetall played when it came to global and specifically European security. Preserving peace requires strength, he said, adding that Hungary had become significantly stronger thanks to the activities of Rheinmetall and the Hungarians working at its factory.

Björn Bernhard, managing director of Rheinmetall Landsysteme, said other types of armoured vehicles will also be manufactured at the Zalaegerszeg plant in the future. Paul Walf, CEO of Rheinmetall Hungary, said the Zalaegerszeg factory is capable of turning out more than 100 vehicles a year.

### **HUNGARY AVG GROSS WAGE HUF 652,000 IN MAY, UP 14.8% YR/YR**

The average gross wage of full-time employees was 652,000 forints (EUR 1,670) in May, up by an annual 14.8%, the Central Statistical Office (KSH) said. The average net wage was 448,700 forints in May, up by an annual 14.6%, KSH said. Real wages rose by 10.4%. The gross median wage increased by an annual 16.9% to 525,000 forints. Regular gross wages (discounting bonuses and other one-time benefits) came to 607,800 forints on average in May. Gross regular wages in business averaged at 609,100 forints, and were at 592,900 in the public sector, up by 14.1% and 17.5%, respectively. The non-

profit sector saw a 19.3% increase to 636,200 forints. Net regular wages were at 433,600 forints, up by an annual 14.8%. Real wages grew by 10.4% against a 4.0% growth of retail prices. For the period January-May, gross wages averaged 633,000 forints and net wages came to 421,000 forints, up 14.2% from the same period a year earlier.

Commenting on the data, the state secretary for employment policy said that government measures had succeeded in keeping inflation down, resulting in a 9-month stretch of growth in real wages. That was partly thanks to an "unprecedented agreement" between employers and employees which led to a raise in minimum wages in December already, Sándor Czomba said in a statement. The dynamic growth of real wages is easing caution in the public and helping consumption, he said. Retail has been growing for five months, and tourism was up by nearly 8% in the first half of the year, compared with the record year of 2023, he added.

### **HUNGARY FINALISES AGREEMENT WITH AXIOM SPACE**

Hungary has finalised its agreement with US-based Axiom Space and will send the next Hungarian astronaut to space on the Ax-4 mission, the ministerial commissioner for space research said on Tuesday. Orsolya Ferencz said the Hungarian research astronaut would spend 14 days on

board the International Space Station, (pending international approval) conducting experiments that would advance Hungary's space industry. The exact date for the mission start will be determined later by Axiom Space and NASA, she added. The Hungarian astronaut picked for the mission, along with his backup, will soon start mission-specific training in the US, Ferencz said.

### **GEORGIAN PEOPLE SMUGGLER HANDED 8-YEAR PRISON SENTENCE**

A Budapest court has handed down an 8-year prison term to a Georgian national for attempting to smuggle 35 foreigners to Austria, the Budapest chief prosecutor's office said on Wednesday. The non-binding ruling has also ordered his expulsion from Hungary for ten years. Acting on orders as a member of an international crime ring, the man drove his van to the Hungarian-Serbian border in December 2022 to pick up 20 Syrian and 15 Moroccan nationals who entered Hungary illegally by scaling the metal barrier protecting the border. The migrants were packed into the vehicle which did not have proper ventilation. Hungarian police started to chase the van travelling in the direction of Budapest on motorway M5, caused 11 traffic accidents as it was trying to escape, the court said in a statement. At a preparatory hearing, the suspect pleaded guilty, the court said. The defence has appealed against the decision.