

PHOTO OF THE DAY



MTI/Zsolt Czeglédi

Aerial view of the river Tisza's receded water level at Vezseny, E Hungary

UPCOMING EVENTS

Stats office releases prelim July jobs report

Events related to Hungary's EU presidency

Events related to the wars in Ukraine, Middle East

Finance ministry releases detailed budget report for Jan-July

TOP STORY

GOVT MULLING SUING EU FOR MIGRATION COSTS

The government has called on the justice minister to review possibilities to sue the European Commission for compensation for the costs Hungary has incurred due to migration, Gergely Gulyás, the head of the Prime Minister's Office, said.

"We can say that Brussels is working to force us to allow migrants into the country," Gulyás told a press briefing. Hungary has also been fined for operating transit zones at the border, even as the new migration pact "has partially taken over those good Hungarian practices", he said. The protection of the Schengen Area's external borders "is important for the whole of Europe, and not just protecting Hungary from migration." At the same time, Hungary is being denied access to EU funding earmarked for border protection, he said. Gulyás said the interior and justice ministers were looking into "offering all migrants at the Hungarian border to transport them to Brussels, voluntarily and for free, adhering to European procedures", should the EU continue to try to strong-arm Hungary into adopting regulations that would make it impossible to keep migrants away from the country. "Hungary does not wish to pay daily fines" but will make it possible for those willing to get a one-way ticket to Brussels where "they can negotiate with the European Commission on the services they are to receive".

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GULYÁS: OIL TRANSFER THROUGH UKRAINE 'SEEMS SECURED'

Head of the PM's Office Gergely Gulyás said a solution appears to have been found for the problem of oil transits, with oil and gas company MOL most likely able to sign the necessary agreements to ensure that crude oil transits through Ukraine to Hungary are not getting blocked. "Technically, this will mean that even though the transport is more costly and MOL must bear risks from the Russia-Ukraine border, there is a legal solution that guarantee future" transits, he said. He expressed hope that crude oil supplies will be secure in the long term on the route that is under threat in terms of transits.

Gulyás said it was regrettable that the European Commission had not taken action to protect the member states. "Despite this, I must say that it appears energy security can be guaranteed in the long term with the help of these agreements," he added. He said that neither Hungary nor Slovakia had received any form of support from Brussels.

He added that Brussels had failed to protect EU members from the actions of a non-EU member that violated its accession agreement signed with the EU. Gulyás said it was hoped that the solution would guarantee Hungary's crude oil supplies and energy security in a period when a war is under way

and energy acquisition and supplies belong among their most important issues throughout Europe.

GULYÁS: GOVT TO CARRY ON WITH TEACHERS' WAGE HIKE PROGRAMME

The government is carrying on with its wage hike programme for teachers as it has promised, bringing teachers' salaries to 80% of the average wage of degree holders, the head of the Prime Minister's Office said on Thursday. Gergely Gulyás told a regular press briefing that the government meeting on Wednesday reviewed the situation of public education, ahead of the start of the new school year. With this year's wage hikes, teachers' wages have reached 670,000-680,000 forints, Gulyás said. That will be followed by a 21% raise on January 1, 2025, and the trend will continue until 2030, in line with the government's pledge to keep teacher's wages at least at 80% of the average salaries of degree holders, he added. The average gross wage of degree holders is expected to be around monthly 1.25 million forints (EUR 3,180) in 2025, and teachers' wages will be raised to 820,000 forints. "Very optimistic estimates" put teachers' wages above 1 million forints by early 2027, he said. Public education is of paramount importance for the future, including the prestige and financial appreciation of teachers, Gulyás said. "This is the profession that lays the foundation to the knowledge of future generations of their own

homeland and the world around them," he said.

GULYÁS: EC HAS 'NO ANSWER' FOR WHY IT ISN'T HELPING OUT WITH CRUDE DELIVERIES

Responding to questions at a press briefing, Gergely Gulyás, the head of the Prime Minister's Office, said the European Commission had "no answer as to why they did not help with the blockade of crude deliveries". As Ukraine is under attack, "the fashion in Europe these days is to stand by Ukraine," he said. While that is understandable, "it is wrong and a mistake to think that Ukraine can do anything."

Hungary's digital citizenship programme will be launched in September and "will be fleshed out by next summer", enabling Hungarians to conduct their affairs on the internet, "instead of the current complicated and out-of-touch state systems," Gulyás said.

Asked about the state of Hungary's budget, Gulyás said liquidity was ensured for "months, years". He acknowledged that consumption had fallen behind expectations in the past few months, and said the bad economic environment in Europe, especially stagnation in Germany, was hobbling Hungarian growth. While the Hungarian economy is not growing at the expected pace, it will still be in the top third of European economies, he said. A 3.5-4% GDP growth is expected, he added.

Commenting on the arrest of the mayor of Budapest's 3rd district on suspicion of graft, Gulyás said the scandal was further proof that "the left is riddled with corruption cases." Noting that the nominating parties were standing by the mayor, who is now in pre-trial detention, Gulyás said those parties would have to ensure leadership in the district. For further developments, the procedure will have to be conducted "to see whether he can carry on leading the district," he said.

Commenting on remarks by Péter Magyar, the leader of the Tisza party, on the state of Hungary's health-care system, Gulyás said that Magyar was attempting to "smear the performance of health-care workers." He said those "working under such circumstances" deserved thanks, adding that it was a credit to the "resilience" of Hungarian health care that the extraordinary heat had led to a mere 5 thousandths of operations being postponed. Gulyás said air conditioning was not effective in heats above 36°C as it could only reduce temperatures by 10 degrees. Since extreme temperatures were expected to become regular, the minister said hospitals needed special protocols to deal with the situation, noting that Mediterranean countries routinely rescheduled non-vital operations in extreme weather. At the same time, Gulyás said hospital AC systems had been assessed and faulty equipment was being repaired or replaced, "although that doesn't happen from one day to the other".

In other places, the hospital's electric system could not cope with the increased demand, he said, but added that increasing the capacity of those systems would require "incredibly high sums". The aim is to air condition all rooms where care is carried out, he added, however. The government had ploughed significant funds into repairing and installing air conditioners in hospitals, and will continue to do so, Gulyás said. Health care remains a priority for the government, as mirrored in the wage hikes for doctors and nurses, and their increasing numbers, he said. The government paid all debts of Hungarian hospitals in June, and has allocated a 12.5 billion forint surplus to health-care spending to avoid further accumulation of debts, he added.

GULYÁS: EVENTUAL DROP IN GLOBAL PRICE OF FUEL TO BE REFLECTED IN DOMESTIC RETAIL PRICES

Gergely Gulyás, the head of the Prime Minister's Office, has said the government's clearly expressed expectation was that when the world marker price of fuel drops, it should be reflected in domestic retail prices. There are various forms of intervention, "we prefer dialogue" which has been successful so far, he said.

Asked why the 100,000 forint school-starter support granted to ethnic Hungarians beyond the borders was not extended to Hungarians at home,

he said those with children in Hungary were already getting numerous forms of support and tax benefits, while those beyond the borders were getting "nothing".

Commenting on claims that the state had bought three office buildings at excessive prices, he said it was the best solution to stop paying annual rent and instead move the state's institutions to properties of its own. He added that an annual 60 billion forints was paid for rent, and by buying the buildings, this investment would return in 9-10 years. He also said that they were extremely energy efficient buildings that are suitable for special government demands. He added that he did not consider the purchase "a bad deal".

Commenting on the Ukraine-Russia conflict and the fights spreading over to Russian areas, he said the government's position was unchanged in that ceasefire and peace talks were needed and all developments that go against this were disagreeable. He also said that the warring sides should handle all issues concerning energy security keeping in mind that they are not only disputes between them but matters that are important to the whole of Europe's energy security.

Concerning plans for a fast railway link between the city and Liszt Ferenc International Airport, he said the question is not whether this would be built, but when it would happen. If it is not connected to existing tracks, then implementation could take longer, around 4-5 years. A decision in the matter is expected this year, he added.



In response to a question, Gulyás said the explosions on the Nord Stream pipeline were acts of terrorism. “There are means that are unacceptable even if someone is under attack,” he added. Ever since the start of the Russia-Ukraine war, Hungary understands that there is a risk that the operation of the Friendship Pipeline becomes impossible. It is partly why Hungary has such considerable reserves of natural gas and crude oil, unmatched by most European countries, he added. Gulyás said that “according to the current situation”, some 56% of annual consumption is ensured in the country.

GULYÁS: HUNGARY TO BRIEF EC ON NATIONAL CARD PROGRAMME

The European Commission will be briefed on a decision to expand the National Card programme to include Russians and Belarusians wishing to work in Hungary, even though the matter does not concern the body, Gergely Gulyás, the head of the Prime Minister’s Office, told a press briefing on Thursday. Gulyás said there are 6,000 Russians working in Hungary and 300,000 in Germany, adding that “talking about national security risks is reminiscent of bad times.” He said objections to the programme were of a political nature, arguing that there were no differences in national security screenings when it came to the National Card programme, and all it

meant was that those who qualified for the programme did not have to apply for a work permit.

Meanwhile, he said that if former US president Donald Trump did not win the presidential election in November, “then as far as the government is concerned, we’ll be living under a plan B”, arguing that the US Democratic administration had made decisions that had prolonged the war in Ukraine. Stressing that Hungary respected the decision of the American electorate, he said the government’s “plan A” would be a US administration that was “friendlier to Hungary”. He said Trump had promised to bring an end to the Russia-Ukraine war, “which would be good for both the Hungarian and the global economy”. Gulyás said that if the US wanted peace, it was strong enough to achieve it.

As regards a lawsuit launched by Hungarian universities against the European Commission over the decision to exclude them from the Erasmus programme, Gulyás said Hungary has been waiting for a reply from the EU in the matter for nine months, insisting that it “could be settled in 10 minutes”. Asked how much money the EU was withholding from Hungary citing concerns over the state of the rule of law and corruption, Gulyás said Hungary now had access to 13 billion euros from the 21 billion euro budget, and the government was hopeful that the entire sum would become accessible. Asked about the mpox outbreak, he said Hungary has a representation at the World Health

Organisation, and the health authority is monitoring the situation to see if it is necessary to take any steps in the matter in Hungary, but so far there was no need to introduce any restrictions.

Asked about reducing the difference between the minimum and the average wage, Gulyás said it was up to the government to make that decision, but “it would be best if employers and employees reached an agreement.” He said the government wanted a longer-term, three-year agreement running until 2027, as this would open the door to a “significant and radical minimum wage increase”, or possibly merging or narrowing the gap between the basic minimum wage and the minimum wage for skilled workers.

Asked about MOL taking over the transit of crude oil at the border between Russia and Ukraine, he said the solution would add about “a dollar and a half” per barrel to the price, but the government did not want consumer prices to rise. In response to another question, he said food price inflation had gone down “radically”, and “all signs are pointing to the annual inflation rate staying below 4%.”

On another subject, he said the government has scrapped state housing subsidies for Ukrainian refugees who did not flee to Hungary from the war zone. He said only a small portion of them were ethnic Hungarians from western Ukraine’s Transcarpathia region, and the measure was in line with the steps taken by Czechia, Poland and Romania. He said the state had supported the

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housing of some 4,000 refugees who had not taken on a job, adding that the government had reached out to the Hungarian Charity Service of the Order of Malta to manage any difficulties that will arise as a result of the decision.

Meanwhile, Gulyás said that if Hungary complied with the recent ruling by the Court of Justice of the European Union in connection with Hungary's border protection policy, "effective border protection would cease to exist." He added, at the same time, that Hungary aimed to reach an agreement with the European Commission on complying with the ruling as quickly as possible so that it could limit the fine it has to pay, adding that the EC will be ready to negotiate starting next month.

On another subject, he said Hungary's debt to China reached 2.5 billion euros, which he said was "not particularly significant". He said Chinese police officers were already conducting patrols in Hungary but were not allowed to take action on their own.

GOVT SPOX: FAMILY ALLOWANCE PAYMENT TIMED TO SUPPORT SCHOOL START

Government spokeswoman Eszter Vitályos said September's family support and childcare benefits would be disbursed early this year in order to reduce parents' burdens and help the start of the school year. Vitályos said the post office will start

delivering the payments on Friday and the State Treasury will start to make bank transfers on the same day. As a result, some 1.1 million families can receive the family support benefits ahead of the start of the school year. The government will again provide free textbooks to all students in public education and vocational training, and through the local governments, free or low cost meals will be provided to students in large families and to families that raise disabled children. Some 13 million text books and 70,000 other materials will be delivered to 4,100 schools, for 1.2 million children, she said. Public schools have seen a substantial digital development in the past five years, with some 500,000 notebooks distributed to 5-12 graders, 200 smart text books were developed and students and teachers now have access to thousands of digital teaching materials, she said.

Vitályos said the school development of the past years had been "unprecedented", with the development of 5,680 kindergartens and schools, and with 220 projects under way to construct swimming pools, gym halls and classrooms, as well as entire schools and one kindergarten.

Vitályos said the state-funded Erzsébet camps were now operating year-round, and classes were able to organise school trips to Zánka, at Lake Balaton, in autumn, spring and the Advent season.

Meanwhile, older students now have access to funding for driving and

language tests. Since its introduction in 2018, some 196,000 students have received support for driving tests, and 187,000 have been refunded for their successful language exams, Vitályos said. The government has ploughed 4.9 billion and 6.5 billion forints into the two projects, respectively, she added. Courses for the driving exams have been free for students in public education since January 1, 2024, she said. Further, the government is working to maintain and possibly expand family support. Tax cuts have left some 4,500 billion forints with families between 2011 and 2023, and under-25s are exempt from the personal income tax, she said.

OFFICIAL: HUNGARY HELPS PERSECUTED CHRISTIANS

Hungary goes beyond talking about solidarity and provides direct help to persecuted Christians, the foreign ministry state secretary in charge of programmes helping Christians said on Thursday, marking the international day commemorating the victims of acts of violence based on religion or belief. The Hungary Helps international aid scheme launched seven years ago has supported the consolidation of Christian communities in the Middle East, and provided humanitarian help, food and drugs to Christians who lost their home in several African countries, Tristan Azbej told public television.

Hungary has a vested interest in providing help because it can prevent a new wave of migration, he added. He cited statistics showing that some 300 million people around the world are subjected to discrimination or get systematically persecuted by terrorist organisations because of their Christian faith. "There is not much talk about this tragedy globally, and especially in the West they try to hide and even deny that the majority of people persecuted because of their religion are Christians," he added.

SZIJJÁRTÓ: FIDESZ 'WILL CONTINUE TO HAVE GYŐR'S DEVELOPMENT IN MIND'

Győr has been a success story with 500 billion forints (EUR 1.3bn) of development carried out in the north-western Hungarian city since 2014 and the ruling Fidesz-Christian Democrats will continue to "have the city's further development in mind", Foreign Minister Péter

Szijjártó said on Wednesday. In a speech delivered in the city, Szijjártó expressed thanks to all who have participated in the success story and said that 51 large developments carried out in Győr since 2014 have created more than 3,500 jobs.

INVESTMENT VOLUME DOWN 16.8% IN Q2

Investment volume in Hungary fell by an annual 16.8% in the second quarter, dropping at a faster pace than in the previous quarter, the Central Statistical Office (KSH) said on Thursday. In seasonally-adjusted terms, investment volume was down by 14.5% year on year. Quarter on quarter, investment volume declined by a seasonally-adjusted 7%. KSH said investments in the manufacturing, logistics and trade sectors contributed the most to the decline but investments in public administration, the energy industry and real estate helped mitigate the drop in the headline number.

BUDAPEST MAYOR'S OFFICE: VOTING ON COMMUNITY BUDGET PROPOSALS OPEN UNTIL OCT 7

Votes can be submitted about Budapest residents' proposals for city development and budget planning until October 7, the Budapest mayor's office said on Thursday. All persons aged above 14 who live or study in Budapest are invited to cast their votes online at otlet.budapest.hu or in person at various Budapest libraries and at the Budapest mayor's office customer service desk. It is not required to have a registered Budapest address to be eligible, the statement said. Some 700 proposals were submitted last year, 175 of which has been selected by a professional jury and the votes can now be submitted on these proposals, it added. The most popular proposals will be carried out from a total allocation of 1 billion forints (EUR 2.5m), it said. Over the past three years, the Budapest city council carried out 17 public proposals submitted under the scheme.