

HUNGARY'S LATEST GOVERNMENT RESTRUCTURING

Key New Stakeholders in the Fifth Orbán Government

3 August 2023

SUMMARY

Following the resignation of Justice and EU Affairs Minister Judit Varga last month, the Hungarian government has undergone yet another cabinet restructuring. Varga, who stepped down from her position to become the lead candidate of the ruling Fidesz for next year's EU parliamentary elections, is succeeded by Bence Tuzson as Justice Minister.





Simultaneously, the European affairs portfolio was split from the ministry and will be covered by newly appointed European Union Affairs Minister János Bóka, a close EU advisor to Prime Minister Viktor Orbán. Bóka's ministry will be the key stakeholder for Hungary's upcoming EU presidency in the second half of 2024.

The restructuring is the second partial reshuffle since the fifth Orbán Government entered office in May 2022, and presumably not the last. The cabinet structure is experimental, with an unusual combination of powers in different ministries, as well as with potential overlaps.

Below, Aretera takes a deeper look at the main takeaways from Hungary's latest government restructuring.



This memo will cover:

-  the key takeaways from Hungary's latest government restructuring,
-  the new composition of the Orbán Government,
-  new stakeholders as Hungary prepares for its 2024 EU presidency,
-  implications for international investors.

NEW MINISTRIES & NEW MINISTERS

On 2nd August, the Hungarian government completed a previously announced partial cabinet restructuring after newly appointed EU Affairs Minister János Bóka and Bence Tuzson, the country's new Justice Minister, officially assumed office following their parliamentary confirmation in July.

The appointment of the two new ministers comes following the resignation of former Justice & EU Affairs Minister Judit Varga in July. Varga, who served as a minister in two consecutive governments since 2019, stepped down to play a more active role in the European election campaign of Hungary's ruling Fidesz-KDNP alliance. She is widely expected to be confirmed as Fidesz's lead candidate for next year's EU elections.

As Justice Minister, Varga, who will continue as the Chair of the EU Affairs Committee of the Hungarian National Assembly, is succeeded by Bence Tuzson, the former Secretary of State for Government Affairs at the Prime Minister's Cabinet Office (PMCO), while the EU affairs portfolio was separated from the Justice Ministry and designated to a new Minister (of EU Affairs), János Bóka, the Justice Ministry's former Secretary of State for EU Affairs.

THE REVISED COMPOSITION OF THE ORBÁN CABINET

The Composition of the Fifth Orbán Government From 1 August 2023		
Cabinet Member	Position	Portfolio/Responsibility
Viktor Orbán	PM	-
Zsolt Semjén	Deputy PM	Religion & Hungarians Abroad
János Bóka	Minister	EU Affairs
János Csák	Minister	Culture & Innovation
Gergely Gulyás	Minister	Prime Minister's Office
Csaba Lantos	Minister	Energy
János Lázár	Minister	Construction & Transport
István Nagy	Minister	Agriculture
Márton Nagy	Minister	Economic Development
Tibor Navracsics	Minister (without Portfolio)	EU Funds & Rural Development
Sándor Pintér	Minister	Interior Affairs
Antal Rogán	Minister	Prime Minister's Cabinet Office
Kristóf Szalay-Bobrovniczky	Minister	Defence
Péter Szijjártó	Minister	Foreign Affairs & Trade
Bence Tuzson	Minister	Justice
Mihály Varga	Minister	Finance

(Source: Government of Hungary)

KEY NEW STAKEHOLDERS

Newly appointed EU Affairs Minister János Bóka has been considered one of the closest advisers to Hungarian Prime Minister Viktor Orbán on European issues. A lawyer by profession, Bóka previously worked as the EU parliamentary assistant of former liberal MEP István Szent-Iványi. Following the change of government in 2010, he pursued a legal and academic career. In 2018, he entered government as the Deputy State Secretary for EU Affairs and International Judicial Cooperation of the Justice Ministry, and when on to become State Secretary for EU Affairs at the Prime Minister's Government Office (2021-2022), before returning to the Justice Ministry in the same position in 2022.

Bóka's newly formed EU Affairs Ministry will be the key stakeholder for Hungary's EU presidency in the second half of 2024. The new ministry will have four deputy state secretaries, including Balázs Péter Molnár, who's responsible for the country's upcoming Council presidency. In this regard, another key stakeholder is Ministerial Commissioner Boglárka Ballester-Bólya, who will stay on as the EU presidency's personnel coordinator.

A longtime Fidesz politician, Justice Minister Bence Tuzson has been serving as an MP since 2014. He entered government in 2015 and has held different state secretarial positions at the Prime Minister's Office and the Prime Minister's Cabinet Office. He is widely considered to be a confidant of Minister of the Prime Minister's Cabinet Office Antal Rogán.

LOOKING AHEAD


The restructuring is [the second partial reshuffle](#) since the fifth Orbán Government entered office in May 2022, and presumably not the last. In recent weeks, rumours have once again spread about the possible retirement of longtime Interior Minister Sándor Pintér, whom the media claims might be replaced by current Minister of the Prime Minister's Office (PMO) Gergely Gulyás in the coming months. These reports remain unconfirmed however.

Hungary's government structure is also very much experimental, particularly in comparison with previous Orbán Governments. While the cabinet has an unusual combination of policy areas and powers in certain ministries, it does not have separate ministries responsible for areas such as healthcare, education, digital transformation or the environment. This unusual structure leaves room for further improvement, with international businesses advised to follow corresponding changes.

In addition, it is yet to be seen how the cabinet will divide EU-related responsibilities between the already existing foreign affairs, EU funds and development, and justice ministries, while – as in the case of economic policy-making – there could also be overlaps between the various Hungarian ministers working on European issues.

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If you would like to schedule a discussion of this paper, please contact:
[Dominik Istrate](mailto:d.istrate@areterapa.com), Advisor for Central & Eastern Europe at d.istrate@areterapa.com

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