

On 12 April 2026, the voters in Hungary showed their support for the Tisza Party, led by Péter Magyar, handing it approximately 138 of the 199 seats in the National Assembly on a turnout of some 77.8%, ending the sixteen-year tenure of Prime Minister Viktor Orbán.¹ Orbán telephoned Magyar to concede the election shortly after the polls closed. The Tisza Party's new supermajority will enable it to amend needed legislation and reorient the country's stance within the EU.

The practical questions for operators, however, are narrower. They concern the Hungarian vote on EU sanctions against the Russia, the fate of the €90 billion EU loan to Ukraine, the continuation of Russian crude imports through the Druzhba pipeline, the course of the Paks II nuclear project, and the expiry, in November 2026, of the waiver by which the US administration of President Donald Trump has spared Hungary from US secondary sanctions on Russian oil.

The Transition of Power and Its Procedural Limits

Preliminary results from Nemzeti Választási Iroda (the National Election Office) give Tisza approximately 53.6% of the vote and Fidesz-KDNP approximately 37.8%, on the highest turnout recorded since the restoration of free elections in 1990. With such a mandate, the incoming administration could theoretically amend Magyarország Alaptörvénye (the Fundamental Law of Hungary) and related statutes governing the judiciary, the Prosecution Service, the National Bank, the State Audit Office and the Budget Council. Although the Fundamental Law allows for inauguration of a new prime minister to be dragged out until 12 May 2026, Magyar has publicly stated that he hopes to be installed in his new post by 5 May. Under the Fundamental Law, the president of the republic must convene *Országgyűlés* (the National Assembly) within thirty days of the poll and, at that sitting, propose a candidate for prime minister. While these formalities are moving along, the outgoing government retains the prerogatives of office, which includes wielding Hungary's veto power within the Council of the European Union (the Council). Mr. Orbán will accordingly represent Hungary at the informal meeting of heads of state and government at Nicosia on 23 and 24 April, at which the 20th EU sanctions package and the €90 billion loan to Ukraine are expected to be discussed.²

Sanctions Policy and EU Financial Support to Ukraine

Even though the outgoing government is often described as a categorical opponent of EU sanctions on Russia, its record is in fact more selective. Hungary blocked the 20th package not on ideological grounds but because Hungarian diplomacy had tied it to the January 2026 interruption of oil flows through the Druzhba southern branch.³ The 20th package could be approved by the council shortly after the new government is sworn in, and subsequent packages are expected to proceed on standard timelines.

The incoming prime minister's position on the EU's €90 billion loan to Ukraine shows both the character and the limits of this change. At his first press conference, on 13 April, Magyar said that Hungary would not block the loan but would preserve the opt-out negotiated under Orbán in December 2025, by which Hungary, the Czech Republic and the Slovak Republic would be exempt from any financial contribution therein.⁴

Energy Supply and Structural Dependency

Energy policy is the area in which the gap between symbolic change and structural continuity is expected to be most stark. The southern branch of the Druzhba pipeline has carried no Russian crude to the MOL refinery at Százhalombatta since 27 January 2026, following damage to the pipeline in western Ukraine variously attributed to Ukrainian drone operations or to Russian strikes. Independent analysis concludes that the Adria pipeline, operated by Croatia's JANAF, can cover the combined requirements of Hungary and the Slovak Republic, though Budapest has disputed this. Magyar has said that any government led by him would continue to buy crude from Russia and would not hesitate to use any EU accession negotiations to pressure Ukraine into restoring transit of these imports through its pipelines. While it is true that the new prime minister elect has committed Hungary to a Russian energy-free Hungary, his timetable for achieving this goal is much longer than that proposed by the EU – a full eight years longer than the European Commission's (EC) REPowerEU objective and two years after the EU's binding 2028 prohibition on the import of Russian gas. The 2028 prohibition, adopted despite Hungary's and the Slovak Republic's opposition, is a constraint that the new government cannot reverse.⁵

1 Al Jazeera Staff, AFP and Reuters, "[Peter Magyar Wins Hungary Election, Unseating Viktor Orbán After 16 Years](#)", Al Jazeera, 12 April 2026.

2 "[EU Wants to Unblock €90bn for Ukraine as Quickly as Possible After Orbán's Defeat](#)", Ukrainska Pravda, 13 April 2026.

3 "[Hungary to Veto New EU Russia Sanctions Over Druzhba Oil Transit](#)", Organized Crime and Corruption Reporting Project, 23 February 2026.

4 Zoltan Simon, "[Hungary Won't Block €90 Billion EU Loan to Kyiv, Magyar Says](#)", Bloomberg, 13 April 2026.

5 Olivia Yasukawa and Chris Stern, "[Trump Grants Hungary One-year Exemption From Russian Energy Sanctions](#)", CNN, 7 November 2025 (reporting that union member states agreed to ban all imports of Russian gas from 2028, over the opposition of Hungary and the Slovak Republic).

Trade Policy and European Parliament Voting Record

The voting record of the Tisza delegation in the European Parliament is a reliable guide to the stance that a Tisza government might adopt moving forward. In the past, their delegation has cooperated with its European partners on sanctions-related matters but has also forcefully defended Hungarian sovereignty on matters of trade and on attempts to widen the EU's competencies. It repeatedly voted against the EU-Mercosur agreement, so much so that the European People's Party suspended the speaking right of Tisza's members for six months after they defied the whip for a third time.⁶ Magyar has framed this as a defence of Hungarian agriculture, a position that aligns the delegation with the Central European protectionist bloc with respect to the Common Agricultural Policy, on the revenue side of the 2028 to 2034 multiannual financial framework, and, in all likelihood, on the sectoral scope of the Carbon Border Adjustment Mechanism.

Although the new government will probably cease to serve as China's veto on the Council on questions of EU trade defence, the industrial commitments at Szeged and at Debrecen, now entering commercial production, will constrain any retroactive unwinding of these contracts.

US Secondary Sanctions

In November 2025, President Trump granted Hungary an exemption from the secondary effects of US sanctions against Rosneft and Lukoil. That exemption will expire in or about November 2026, within the first six months of the new government.⁷ The case for extension does not rest on the Orbán relationship. A Tisza government stands closer to the stated Ukraine-pressure objectives of the administration than its predecessor did, since it will no longer obstruct EU assistance to Kyiv. Extension is therefore the more probable outcome, though not one on which firm planning should rest. Should the waiver lapse, the consequences for MOL, for its downstream customers, and for the banks that finance flows of Russian-origin refined product across the region, will be abrupt and severe.

Expectations

Several dates will prove indicative about how Hungary's new government will behave moving forward: the swearing in of the new government, which Magyar hopes to bring forward to 5 May; his first visit to Brussels and the lodging of an application to join the European Public Prosecutor's Office (EPPO); the filing of a revised national gas diversification plan consistent with the 2028 ban; and the extension, or lapse, in November 2026, of the US secondary-sanctions waiver.

How Can We Help

As a global firm with a deep-rooted international trade and sanctions practice, we are actively advising clients on the regulatory shifts following the recent change of government in Hungary. Our team assesses counterparty exposure under both the EU and the US sanctions regimes, with a particular focus on the flow of Russian crude and refined products, while managing complex applications for licences and derogations. On the trade front, we monitor the Hungarian position within the European institutions regarding the Mercosur ratification, the Common Agricultural Policy and the trade defence measures against China, translating these developments into strategic advice for supply chains and tariffs.

In the energy sector, we can guide developers and financiers through the 2028 gas prohibition, the transition of the crude supply from the Druzhba to the Adria pipeline, and the complexities of the Paks II supply chain. We can also provide counsel on governance matters, including the recovery of the previously frozen EU funds and the institutional reforms currently underway. Our experts across the primary political and financial capitals of the world are available to discuss the implications of these developments on your operations.

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⁶ Sandor Zsiros, "[Between Budapest and Brussels: Péter Magyar's Political Tightrope](#)," Euronews, 7 April 2026.

⁷ Yasukawa and Stern, "[Trump Grants Hungary One-year Exemption From Russian Energy Sanctions](#)," CNN, 7 November 2025.