

Dominik Héjj

Priority areas of Polish-Hungarian cooperation according to presidents Andrzej Duda and János Áder

On September 8-9, 2021, President of the Republic of Poland Andrzej Duda paid an official visit to Budapest. It was the sixth visit of the Polish president to Hungary since 2015. During that six-year period, the presidents of Poland and Hungary met as many as 12 times, both as part of bilateral visits and in meetings of the Visegrad Group. Polish-Hungarian relations have been very good for years, and there are many areas in which the interests of Poland and Hungary are the aligned. The talks between the presidents in Budapest focused on three main areas: trade, infrastructure, and issues related to security policy, especially migration issues.

Trade development. “Poland is the fourth largest and most important economic partner for Hungary”, said János Áder during a joint press conference of the Polish and Hungarian presidents. The president of Hungary emphasized that the total value of trade in the last year between the two countries amounted to EUR 10 billion and over 100 Polish companies are present in Hungary, which have created 13,000 jobs. According to the data available on trading economics for 2020, the share of imports from Poland of total Hungarian imports amounted to 5.8%, i.e. approx. EUR 5.49 billion (Austria 5.9%, China 7.8%, and Germany 25%). The structure of imports from Poland is as follows: electronics, approx. EUR 712 million, industrial machinery approx. EUR 691 million; vehicles (except for railways and trams) approx. EUR 449 million; furniture and prefabricated products for buildings approx. EUR 322 million.

Poland is the seventh largest recipient of Hungarian exports, with a share of 4.1%, i.e., with a value of approximately EUR 4.13 billion. Hungary most frequently exports electronics to Poland with a value of approx. EUR 708 million; plastic approx. EUR 428 million; industrial machinery approx. EUR 394 million; and vehicles (not including the rail and tram sector) approx. EUR 379 million. Polish companies in Hungary are mostly involved in the food, cosmetics, and construction sectors, and their activities are supported by the Polish Investment and Trade Agency.

Hungary's share in Polish exports in 2020 amounted to EUR 5.4 billion, which placed Hungary in eleventh place among Poland's trade partners. On the other hand, in terms of imports to Poland, Hungary ranks eighteenth. Its value in 2020 amounted to EUR 3.4 billion. Hungarian entrepreneurs in the Polish market are supported by two Commercial Counselors Offices in Poland: one at the Hungarian Embassy in Warsaw, the other at the Consulate General in Cracow. After the 2014 elections, the Hungarian Ministry of Foreign Affairs was transformed into the Ministry of Foreign Affairs and Foreign Trade and it was headed by Péter Szijjártó. At that time, one of the overarching goals of the Fidesz-KDNP coalition's policy was to increase the share of industry, exports, and direct investments in gross domestic product.

Infrastructure and energy. During the press conference, János Áder emphasized that until 1990, the Central European region was backward in many respects, including road and energy infrastructure. It is worth recalling here that one of the priority projects for the Three Seas Initiative is the construction of the Via Carpatia road connecting the north and south of Europe with a total length of 3,300 km. The Hungarian section of the Via Carpatia is 240 km long, from the city of Miskolc to the border with Slovakia, as part of the European road E71 (M30 in Hungary), which leads to the border with Romania. President Áder announced that the route would be put into operation later this year, so on schedule. Although Hungarian activity in the area of the Three Seas Initiative is very conservative, Hungary is dominant in the field of infrastructure projects.

Although the Hungarian president mentioned the energy routes, he did not develop this idea, and it was all the more important because from the moment when President Áder spoke these words (September 9, 2021), only three weeks remained until Hungary signs a new long-term gas contract with Russia's Gazprom. The current gas contract ends on September 30, and the new conditions will apply from October 1. It is a 10 + 5 contract, which means that it will

be concluded for a period of 10 years, with the possibility of extending it to 15 years. The annual volume of Russian gas ordered will be 4.5 million cubic meters, 3.5 million cubic meters of which will be supplied via the new interconnector on the Hungarian-Serbian border from the South Gas Pipeline, and 1 million cubic meters from Austria, i.e., most likely through the Nord Stream 2 gas pipeline, also transporting gas from Russia.

Hungary's position on gas supplies from Russia is fundamentally different from the way Poland perceives this issue. The view of Gazprom's activities in the region also remains different. On the occasion of Minister Sziijártó's visit to St. Petersburg (August 30, 2021), where he was negotiating the terms of a new gas contract with Alexei Miller at Gazprom's headquarters, the head of Hungarian diplomacy emphasized the growing importance of Gazprom in Europe and also pointed to the dynamic increase in the share of gas in the European energy sector. According to the minister, Gazprom provides the region with energy security. Although Hungary is interested in obtaining energy resources from sources other than Russia, the steps taken by the country are still insufficient. The involvement of Gazprom in Hungary should also include the activity of another Russian energy company, Rosatom, which is carrying out investment in the expansion of the nuclear power plant in Paks. Despite the interest in the collection of LNG gas supplies from the Croatian port on the island of Krk, Hungary largely fails to meet the vision of intensified cooperation in the energy sector as part of, inter alia, the Three Seas Initiative.

Security and migration. The contemporary security of Hungary is mostly understood through the prism of migration and potential terrorist attacks, the perpetrators of which could be people who entered Europe with the wave of migrants. Hungary, unlike Poland, does not treat the Russian Federation as a potential aggressor. It is similar in the case of China: Hungary does not perceive the expansionist policy of the Middle Kingdom as a threat either to Hungary itself or, more broadly, to Europe as a whole.

Since 2015, a state of crisis related to a mass influx of migrants has been in force in Hungary. It was first introduced in several counties (provinces) and then throughout the country (from March 2016). It is regularly renewed every six months in September and March. Currently, it is set to apply until March 7, 2022. Interestingly, the prerequisites included in the act in force from September 15, 2015 and concerning the possibility of introducing and prolonging the state of crisis have not been fulfilled for a long time. They concern, inter alia, the daily number of migrants crossing the border. The uncertainty of the authorities as to the number of migrants currently staying in Hungary was repeatedly indicated as the cause of the crisis. In order to statistically increase the number of migrants crossing the border every day, the methodology of their counting was changed. The new statistics were overwritten with the existing ones available on the Hungarian police websites. However, for at least a year, it has not been possible to check the statistics from 2015, because they are not available.

Thanks to the construction of a 175 km-long fence on the Serbian-Hungarian border, it was possible to close the Balkan route through which the migrants tried to reach Germany. In August 2016, Viktor Orbán announced the construction of a second fence along the border with Serbia, which he described as "intelligent". It was established in 2017 and is equipped with the most modern devices to prevent border crossings. During the presidents' press conference in September, János Áder said that Hungarians knew little about the seriousness of the situation on the Belarusian-Polish border. The president added that the migration crisis began before the withdrawal of troops from Afghanistan, but the consequences of this decision could increase the migratory pressure on both Poland and Hungary. Áder also announced that he proposed to President Duda to share his experience in fighting the 2015 migration crisis, as Hungary has experience in defending borders and can share its knowledge.

Conclusions. Thanks to the political rapprochement between Poland and Hungary, observed in particular since 2015, the number of possible forms of cooperation has increased. At the same time, a significant threat is the fact that, as part of the mutual "policy of friendship", the Hungarian authorities use Poland to implement their own policy, mainly in the European Union. Close cooperation should be continued; however, it is advisable to be cautious and follow the principle of limited trust in mutual relations, especially due to the fact that many issues that are strategic for Poland, for the Hungarian authorities have a completely different importance and are assessed in accordance with the national interest of Hungary.