

VISEGRAD AND FUTURE OF THE EUROPEAN UNION

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VISEGRÁD AND MIGRATION: FEW PROSPECTS FOR A CHANGE IN POSITION

With Slovakia handing over the EU presidency to Malta and agreement on a new EU asylum system out of sight, the Visegrád Group remains in opposed to compulsory refugee relocation.

Authors: Aneta Zachová, Edit Zgut, Krzysztof Kokoszczyński and Zuzana Gabrizova

“The effective application of the principles of responsibility and solidarity remains a shared objective,” read the conclusions of the December European Council on the internal aspects of migration.

The Slovak Presidency has framed this wording as a “success”, claiming it means that the “effective solidarity” concept that would allow countries to choose how they want to contribute to common efforts in the migration crisis thus avoid actually taking in refugees, and it has gained overall support.

The situation is more complex, however. Slovakia has handed over the large migration dossier to the Maltese Presidency in the Council largely untouched. National positions differ even among the Western countries.

Looming elections in the Netherlands, France and Germany will hardly make finding a compromise easier this year. The Visegrád Group (V4) – Slovakia, Czech Republic, Poland and Hungary – has emerged in the debate as a regional

“player” with substantial convergence in the debate.

Apart from unanimous support for the “flexible”, later “effective solidarity”, it advocates cooperation with third countries via a Migration Compacts, copying agreement with Turkey and protection of EU external borders, where they are ready to increase commitments.

As a matter of shared priority, the Visegrád Group calls for a return to the full application of the Schengen deal.

In this cooperative article, we take a closer look at where the debate and situation stands in every respective country of the Visegrád Group.

SLOVAKIA: THE PRESIDENCY EFFECT

At the beginning of 2016, Slovak Prime Minister Robert Fico infamously stated that he wants to “prevent a creation of a coherent Muslim community in the country”. It was at the height of the election campaign, where the migration crisis took centre stage in a country with virtually no migrants and refugees. Polls between spring and autumn 2015 showed a sharp rise in people considering migration one of the most important issues the country and the EU is facing.

Since the emergence of the independent state in 1993, and after it joined the EU

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in 2004, Slovakia adopted and maintained very strict and dissuasive migration and asylum policies, opposing any proposal for further harmonisation and burden sharing initiatives at EU level.

Despite its history as a multiethnic environment and having considerable Hungarian and Roma minorities, the country adheres to a platform of “cultural homogeneity”, supported by a political consensus on the matter. After the rise of migration as a central EU issue, it found a way towards domestic political discourse. The government dominated by centre-left party SMER-SD has strongly framed the problem in the narrative of security issue and problem of cultural incompatibility of largely Muslim migrants. This was strengthened in the wake of the general elections. Robert Fico has won his third mandate, although not without loss of absolute control.

Despite being clearly pro-European, the government did not shy away from speaking of “EU dictates” once the compulsory relocation scheme was on the table. It filed a lawsuit against the Council decision on a temporary relocation scheme, seconded by Hungary.

The rhetoric was toned down during the Slovak Presidency. The protection of the EU’s external borders remained a central speaking point. “This level of porousness of the borders is potentially deadly for the prestige of the EU, its administrative, political and social absorption capacity,” Ambassador-at-Large for Migration Igor Slobodník said to EURACTIV.sk.

The Slovak proposal for effective solidarity has clearly failed to get every member state on board. Nevertheless, diplomats say it managed to calm the debate.

“You will never hear me praise this concept as ideal. The name ‘flexible’ solidarity is unfortunate, but the system, based on one manifestation of solidarity, is unsustainable,” the government plenipotentiary of the Slovak EU Council Presidency Ivan Korčok said.

He argues there can be no change in the Dublin rule, as it would constitute a pull factor. “This is not how Schengen can survive,” he added.

Far-reaching harmonisation of asylum procedures as envisaged in the draft proposals on the European Commission seem to be a no-go for Slovakia as well.

Any reform of the Common Asylum System must not bypass it, claims Zuzana Številová of the NGO League for Human Rights. “Also, if we really want to build a common asylum system, there is no place for a transition country in it,” she says. At the same time, Številová says that it would be irresponsible if the concerns of countries such as those in Visegrád Group are taken lightly.

At the end of 2015, Slovakia had voluntarily resettled 149 Iraqi Christians, who obtained asylum on humanitarian grounds. “To this day only 89 stayed. The rest have returned to Iraq citing homesickness,” says Petra Achbergerová, director of the migration and integration department at the Migration office.

For the time being, Slovakia has pledged to take in 100 refugees from Greece on a voluntary basis and is offering 500 scholarships to Syrian teenagers. It also helped Austria, by temporarily housing more than 1000 refugees applying for asylum in Austria.

NGOs and volunteers showed a high level of engagement during the height of the refugee crisis, helping and organising help for refugees on their way via the Balkan route.

CZECH REPUBLIC: COMMITMENT TO BORDERS

Migration has also become one of the dominant political topics of the past two years. Public debate on migration radicalised and a new anti-immigration movement has been established, which includes the Party of Direct Democracy, the sixth most successful party in the regional elections in 2016.

Despite that, the real policy maintains the same direction, as it was before the start of the crisis, says Miroslav Mareš, a professor of political science at Masaryk University. Government and activist activities have intensified, such as Czech police deployments to Greece, and NGOs helping refugees on their journey through Europe.

According to the Czech Interior Ministry, the current European Asylum System does not work well. The ministry is also critical of the proposed revision.

“Even if we manage to enforce the proposed system, it will not lead to a significant reduction in the influx of migrants,” said ministry spokeswoman Hana Malá. The revision of the Dublin Regulation containing redistribution of migrants is the most problematic part.

The Ministry of Interior claims that redistribution should not be obligatory. The Czech Republic supports the Slovak concept of “effective solidarity”, but it would offer greater involvement in the activities of the European Asylum Agency and the European Board and Coastal Guards instead of accepting redistributed refugees.

NGO positions differ from those of the Czech government. One example is an alternative concept by Martin Rozumek from the Organization for Aid to Refugees and Zuzana Številová from the League for Human Rights in Bratislava. The authors say that V4 countries should propose a European asylum system based on a harmonised asylum procedure and successful applicants would gain an EU-wide stay permit.

Around 1,500 people per year apply for asy-

lum in the Czech Republic. Syrians and Afghans represent a minimum of them. According to Zuzana Schreiberová from non-profit organisation Multicultural Centre Prague it is because of the bad conditions in detention facilities where migrants are placed.

“The vast majority of them choose to continue to other countries, mainly to Germany,” explained Schreiberová. The Czech Republic accepts a limited number of refugees. Every third applicant for asylum is successful.

HUNGARY: HOTSPOTS OUTSIDE SCHENGEN

The Hungarian Fidesz-KDNP government has overcome a period of falling popularity by exploiting the refugee crisis.

Hungary was the first to erect a fence to keep migrants away from the country’s borders and Prime Minister Viktor Orbán rejected the quota mechanism from the very beginning, advocating the protection of the EU’s external borders instead.

To many, the Fidesz-KDNP government’s policies induced xenophobic attitudes in society by its constant anti-immigrant campaigns and the criminalisation of asylum-seekers.

For example, Orbán claimed that all terrorists are migrants. The question is only when they arrived in Europe. According to research Institute Tárki, xenophobia reached an all-time high in Hungary last year (58%).

The referendum in October 2016 was invalid but 98% of the 3.3 million people casting a vote were against refugee relocation quotas.

“The Hungarian government’s response to the refugee crisis was motivated by domestic political goals, mainly its desire to cement its own power through artificially sustaining an air of anxiety,” said former Foreign Minister Géza Jeszenszky, who believes it was impossible to refer to the invalid referendum as a success in Brussels.

In contrast, Sándor Gallai, director of research at the Institute of Migration Research, says that the government’s measures are founded on value-based political motivations.

“The Orbán government is supporting the idea of an ethnically homogenous society that matches the opinion of Hungarians; it wants to solve demographic problems through family policy instead of immigration,” said Gallai.

The Hungarian government sees the solution for the migration crisis in the establishment of hotspots outside of the Schengen Zone and not in the distribution of asylum-seekers between member states.

“No one can be forced to settle someone in their country, aid must be taken to where

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the problem is, meaning that asylum applications must be decided outside of the EU," said Zolán Zsolt Csenger, the Fidesz-affiliated vice president of the Hungarian National Assembly's foreign policy committee.

The Hungarian government's view is that acts of solidarity cannot be restricted to the relocation mechanism and it considers it downright unacceptable that those unwilling to participate in it would be forced to pay a fine.

Most asylum-seekers only pass through the country. "Last year, around 30,000 asylum applications were filed, by the end of last November, 398 people had been granted refugee status or subsidiary protection," said Márta Pardavi, the co-president of the Hungarian Helsinki Committee.

Currently, there are about 500 individuals in refugee reception centres, part of them in heated conditions but those accommodated in Körmend have to survive the winter in military tents.

Márta Pardavi claims that by dissolving the refugee centres in Debrecen and Bicske, the government knowingly reformed the system to encourage asylum-seekers to leave the country as fast as possible.

Nevertheless, there is one positive develop-

ment. Although civil society organisations (CSOs) are increasingly restricted from accessing refugees, CSOs established in 2015 (Migszol, Segítsünk együtt a menekülteknek [Help the refugees together]) continue to help those in need through non-financial donations and food, while religious organisations are also increasingly active in this area.

As the government gradually disengaged from fulfilling its role, these civilians practically took over its duties.

POLAND: HELPING COUNTRIES OF ORIGIN

Poland is one of the main opponents of the redistribution of refugees among the member states and to date it has not taken in a single refugee from Greece or Italy.

While the issue does not take the centre stage in such a way as in Hungary, for instance, the Polish government time and time again has voiced its opposition to actually being made to take some of asylum-seekers into the country.

Interior Minister Mariusz Błaszczak has said that he thinks the Polish approach is a "sensible option" and that the redistribution mechanism is "a way to attract more migrants" rather than a solution.

The minister said that Poland would do its part through helping countries of origin. Nevertheless, actions in that respect also seem to be lacking, according to Jacek Białas from the Helsinki Foundation for Human Rights. He describes the government's approach as "weak, negative, reluctant or even hostile".

The Polish approach to migration cannot be fully understood without understanding the current government of Poland and discourse of conflict. It presents the world to its electorate by dividing it between 'us' and 'them': 'us' and 'the opposition', 'us' and the 'liberal elites'.

In such a context, refugees make for a very useful and convenient 'them' to be presented as a threat.

Unfortunately, such language helps encourage violence. Sylwia Spurek, the deputy Ombudsman, told EURACTIV.pl that without a strong signal from the government opposing it, the mood of xenophobia would only grow in Poland.

She stressed that since the last election, Ombudsman Adam Bodnar asked for a complex action plan for admitting refugees to Poland, which would include a mechanism for creating a *Willkommenskultur* for refugees. ■

THE V4 WILL NEVER AGREE ON RUSSIA

Depending on which country you ask, in Central Europe, the new US government is either a source of unease in matters concerning Moscow or, in the case of Hungary, newfound confidence.

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The EU and the US have been close partners for the many years past. Despite their differences, they share similar values and cooperate on various policy issues. They are a driving force behind various pro-democracy initiatives and they cooperate closely on security matters, including Syria and Ukraine.

Nevertheless, Brussels and Washington have also been at odds many times. Recent years have witnessed a number of policy issues in which the EU and the US could not find a common ground – or in which finding a common position has required tiresome back-and-forth: privacy and data protection, a reduction in CO₂ emissions or GMOs. The list is long.

The ties were not made stronger through the Transatlantic Trade and Investment Partnership negotiations. Following years of talks, the deal has not been completed and, as everything seems to indicate, will not be made in the future.

The coming years look like, at least at the cur-

rent moment, times of uncertainty. Donald Trump, a newcomer to the world of politics, is taking power on a wave of populism. His rise to the presidency was unexpected and his

first decisions did not do anything to alleviate the fears of America's allies and partners.

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Yet the Visegrad Group (V4) of countries may be a little calmer than their West European allies. At least in the short term, they are not likely to be harmed by Trump's decisions – and while they may not profit significantly from the change of government across the Atlantic, a lack of losses is its own profit.

POLAND: WARY BUT OPTIMISTIC

Poland and the US enjoy a historically strong relationship, the perennial visa issue notwithstanding. Poland has been the most pro-American country in the V4, often regarded as the strongest supporter of the US and the American policy in the Central and Eastern Europe. This historical relationship is not directly under threat under the new administration, but Poland is worried about being marginalised under Trump.

Michał Baranowski, Director of the Warsaw Office of the German Marshall Fund of the US, sees the focus of the Trump Administration on bilateral relations as a chance for strengthening the Polish-American bond. Nevertheless, he is wary of the "Trump's unpredictability and dynamic approach."

For Poland, in terms of her relationship with the US, the security issue takes priority. The shadow of Russia has been growing over the last decade and Warsaw is anxious about getting more and better security guarantees from Washington, as Russia is considered a real threat to the continued existence of the Polish state.

Poland has been quite successful in this respect in recent years: It bought its new fighter jet, the F-16, from the US, in a deal that included a significant offset package, increasing American investment even further. During the 2016 NATO summit in Warsaw, the US committed to deploying troops in Poland as a part of the constant rotation in Central and Eastern Europe, the so-called Eastern Flank.

And here is the main reason behind the Polish anxiety over Trump. While Poland did not play a significant role in his campaign, the new president's comments on Russia and Vladimir Putin, as well as his stated aim of decreasing American military engagement in NATO and in Europe has been heard in Warsaw. Poland is unsure whether or not President Trump will act on his campaign promises and, if so, what shape his actions will take.

For Baranowski, the best way forward would be to focus less on ideas and more on the mutual benefits of supporting Poland. "Trump has a more utilitarian approach to their allies than his predecessors. Poland should then focus on showing him what benefits the continued support of Poland will bring to the US: that the Eastern Flank is also important for the American security, for example. We may also have to think

about further supporting the American fight against terrorism and the IS, which may require some difficult decisions from Poland, such as becoming more engaged in Syria," he said.

Nevertheless, Tomasz Smura, Research Fellow at the Casimir Pulaski Foundation, is cautiously optimistic about the future. He stresses that "for the short term, six to twelve months, nothing much will change with respect to the security dimension of the Polish-American relationship". He noted that "the president is not the emperor, so even if he wants to introduce any significant changes, they will require a consent of the Congress, so it will all depend on his position there".

The Polish Foreign Ministry is even more optimistic. "We are convinced that the important Polish-American bilateral relationship will continue to grow and be developed under the Donald Trump's administration," says Joanna Wajda, the spokesperson for the ministry. She added, "this opinion has been confirmed after the [Polish Foreign] Minister Witold Waszczykowski's recent meeting with Henry Kissinger, the Foreign Policy Adviser, and Michael Flynn, the National Security Adviser".

Despite these anxieties, the economic side of the relationship is expected to grow strong during the coming years. The trade exchange between the two countries reached €9 billion in 2015 and has been growing ever since.

Tony Housh, Chairman of the American Chamber of Commerce in Poland, does not expect any significant changes in terms of economic ties between Poland and the US. He said that "the strong current relationship [between Poland and the US] will continue, without any disruption", despite a certain anxiety towards the new administration.

Poland has just welcomed American forces arriving in the country. Warsaw hopes that the historical ties, improving trade and the US military presence will manage to keep the country safe for the coming years.

TRUMP WILL FOCUS ON COUNTRIES LIKE THE CZECH REPUBLIC

President of the Czech Republic Miloš Zeman was one of the few European politicians who openly supported Donald Trump. It is probably the reason why he has already been invited to the White House. While it is usually better if politicians talk to each other and have good relations, many in the Czech Republic ask the question is what this relationship is going to mean for the country.

Jan Kovář, researcher at the Institute of International Relations in Prague says that one of the Trump's goals is to destabilise the European Union.

"In my view, Trump's position and stance is based on the idea that the European Union is more a competitor than a partner. He sees the EU in the same way as he sees China. He perceives these countries as competitors," he told EURACTIV Czech Republic.

"He will focus on countries where we can see clear anti-European stances within politicians and societies. That means countries like the Czech Republic and V4 in general. It is also the reason why he stresses that Angela Merkel's migration policy is so bad," he added.

Both politicians could find a common ground in this field. Last year, the Czech President suggested that a national referendum on membership in the EU and also in NATO would not be a bad idea.

However, Vít Dostál, the Director of research Centre at Association for International Affairs has a different point of view. "The question is how the United States will perceive Czech orientation to the east, mainly to China. For Trump, China is the biggest opponent in the international system. And Chinese effort to gain influence in Middle Europe could be one of the things which the new American administration will focus on," he thinks.

Chinese investments are an important topic of President Zeman and the visit of the Chinese President in the Czech Republic was, in his opinion, a great success. As far as this topic is concerned, Trump and Zeman could rather argue.

Concerning the Visegrad Group as a whole, the victory of Donald Trump is likely to be bad news. Tomáš Prouza, the State Secretary for European Affairs of the Czech Republic, shares this view. "According to some of Trump's statements, it seems that his victory is rather bad for Central and Eastern Europe. At this time, Trump is rather a danger for our defence and economy," he warns.

In his opinion, the reaction of these countries will be very important. "This situation brings two main tasks for the Czech Republic. First, we have to focus on supporting the internal Single Market and a free trade with third countries. Second, we must strengthen our defence cooperation within Europe including the future creation of European armed forces. We shouldn't be dependent on the USA in the field of defence anymore," he stresses.

Recently, the strengthening of our security and defence cooperation has been quite a big topic in the EU. And the V4 countries should have a responsible approach. "The Czech Republic must increase its defence spending because the new American Administration will talk only to the countries that fulfil their obligations," Radko Hokovský, the executive director of the Prague-

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based think-tank European Values, says.

SLOVAKIA'S CAUTIOUS OPTIMISM

Early Slovak reactions to the election of Donald Trump were polite, slightly optimistic, but mostly cautious. Prime Minister Robert Fico said not to assume that Trump's presidency would necessarily be a bad thing and hailed the prospect of "balance of powers between the superpowers", referring to US and Russia. What is more, he added that in some areas the EU "has acted a delivery boy for the US" and believes that if the US lifts sanctions against the Russia, the EU would do the same, which he would prefer, calling them "nonsense".

Fico acknowledged however that Europe will "need to react" if Trump goes along with his pledge to decrease the military engagement in Europe even further. President Andrej Kiska reacted in a manner that was nowhere near as jubilant as the one of his Czech counterpart but wished Trump a successful term. Kiska believes that NATO will represent the same values no matter who sits in the White House.

In terms of transatlantic relations, Slovak public perception differs from their V4 neighbours. The research done by the Institute for Public Affairs (IVO) released in May 2016 showed that the level of distrust towards the US is the highest in the region. Only 27 % of respondents said they trust America.

Andrej Matišák, a Slovak journalist covering foreign affairs for Pravda, says that Slovakia and the US are members of same organisations, and are connected by trade and shared values. That "may sound too little for some, but even that is now at stake", he told EURACTIV Slovakia.

To develop good relations, Matišák suggests frequent contacts with the new U.S. administration as well as other centres of power, for example, Congress, businesses and NGOs. "We need to be clear about our expectations. I'm not entirely sure that's the case," he added.

US-Slovak trade is steadily growing stronger. According to AmCham Slovakia, in 2015, it amounted to 2.06 billion USD. Policy Officer at the AmCham Michal Krčméry expects that the positive trend in mutual trade relations will indeed continue. "American investors in Slovakia are relatively stable. We don't expect them to re-evaluate their plans in light of the change in the White House," Krčméry said. "Surely, it is harder to tell how the political changes will translate into a further influx of more US investment."

The major outstanding question linked to Trump's presidency is his (un) willingness to remain involved in European defence. The Minister of Defence of the Slovak Republic, Peter Gajdoš, shied away from linking the in-

creased defence budget with Trump claiming NATO was "obsolete".

Slovakia's pledge to raise military spending up to 1.6 % in 2020 goes well before the recent heated debate on military expenditures in Europe. At the 2016 Warsaw Summit, the Slovak delegation seconded the motion to reinforce NATO's Eastern Flank.

Speaking to EURACTIV Slovakia, defence ministry spokesperson Danko Capáková highlighted sending 152 soldiers to the Baltic training mission of the Visegrad Group countries.

Focusing on the Trump's inauguration speech, Dušan Fischer of the Slovak Foreign Policy Association (SFPA) noticed no positive reference to Europe whatsoever. "For the next 4 years, Trump might not even come across relations with the V4," Fischer said.

HUNGARY EXPECTS MORE FREEDOM

Hungarian Prime Minister Viktor Orbán's vision of the Donald Trump-led world consists of the end of the era of multilateral agreements and improving US-Hungarian relations. The Hungarian prime minister was the first mainstream leader to throw his support behind the Republican candidate. The Hungarian premier, looking to settle into a "multipolar world order", argued against the election of Hillary Clinton from the very beginning because the foreign policy of the Democrats is "deadly for Hungary", while that of the Republicans offers the country a chance to live. He praised Trump for his anti-immigration views, his belief in strengthening secret services and putting an end to the exporting of American democracy.

"Viktor Orbán disliked the Obama Administration mainly because it constantly reminded him of the importance of adhering to democratic values, while the Hungarian government expects the complete opposite from the Trump Administration", said former Hungarian Foreign Minister Péter Balázs. According to the former EU Commissioner, ideological similarities and a less interventionist American foreign policy could offer protocol-level advantages to Orbán in the form of an invitation to the White House, although these factors are unlikely to offer him more space for manoeuvre on the international stage. A White House less concerned with the internal affairs of other states could offer more freedom to the Hungarian government domestically – said US expert Tamás Magyarics. The Orbán government has received a lot of criticism from Washington since its inauguration in 2010 for the media law, attacks on civil society and the erosion of the system of checks and balances, among others, added the associate professor of ELTE University.

Political scientist Márton Ugródsy believes two important factors will determine the

long-term nature of bilateral relations: number one is how the Russian-American relationship develops, which everyone depends on in the region. The second is who will be entrusted with Eastern European affairs in the State Department. Ugródsy said one can only speculate what will happen until this becomes clear. The role of Hungary is traditionally perceived in the context of Central and Eastern Europe in Washington, and if the Trump-Putin relationship deteriorates Hungary could again face criticism as an underpaying NATO member and one of the most important regional allies of the Kremlin. According to Márton Ugródsy, a researcher at the Institute for Foreign Affairs and Trade, the change of guard in Washington will provide the Hungarian government with half a year when it can achieve its goals under less American scrutiny.

Donald Trump often voiced the opinion that NATO is obsolete and it should operate by dividing the share of the burden more equally not only in his campaign but after his election as well. Thus, the underpaying member states must increase their defence spending to 2% of the GDP as soon as possible, which Hungary promised to achieve by 2026. "Based on the statements of the American president it is not out of the question that the Hungarian government will have to rethink this commitment in order to bring the deadline forward," said the Fidesz-affiliated chairman of the National Assembly's foreign policy committee, Zsolt Németh.

Europe is currently playing the waiting game with regards to the effects of the Trump Administration on the stability of transatlantic relations, but the majority of Hungarian experts believe it is unrealistic that USA would back out of NATO's solidarity clause. Nevertheless, the continent should establish a more effective defence union, which became clear after the Brexit referendum. Németh believes that the agreement of EU leaders on deepening defence and military industry cooperation to establish a structure working independently of NATO to be an important step. "Although NATO handing over some competences, for example in the Aegean Sea, to Europe would be the proper thing to do, the defence structure of the union under no circumstance should become an alternative to NATO," noted the politician.

Even though nothing has been said about deepening defence cooperation being aimed at the establishment of a joint army, the Hungarian prime minister has for quite some time urged the establishment of an EU Army founded on Franco-German cooperation. The message fits well into the "let's put security first" narrative propagated by the Hungarian government. However, it is naturally in conflict with the anti-federalist view of Orbán. ■

FUTURE EU: DOES VISEGRÁD HAVE A PLAN?

In the Visegrád Group, there is a desire to both strengthen the powers of member states, but also defend the Schengen area, and the four freedoms. Unsurprisingly, talk of treaty change is in the air.

Authors: Adéla Denková, Edit Zgut, Krzysztof Kokoszczyński and Zuzana Gabrizová

In Valletta, the Visegrád Four, composed of Poland, Slovakia, the Czech Republic and Hungary agreed to come up with a common contribution to the Rome Declaration. The document being drafted on behalf of the Rome summit at the end of March, marking the 60th anniversary of the Treaties of Rome, intends to outline the future of the EU.

POLAND: REFORM IS NEEDED

There is a widespread consensus in Poland that reforms of the European Union are necessary and unavoidable. There are few, if any, who contest this view. The problematic part is describing what changes are needed, both for the improvement of the EU and for improving the Polish position within the Union. The main question is whether Warsaw pushes for opening negotiations for a new treaty for the EU. Such an initiative would allow the deepest changes in the structure of the EU as a whole, as it could include, in theory at least, changes to every single aspect of functioning of the EU.



source Government of the Czech Republic

Ideas are already circulating, with Angela Merkel and the Italian hosts raising the issue of differentiated integration as one way to move forward in the EU. Various speeds are already a reality for the Union with the eurozone, Schengen etc. Nevertheless, for the longest time, there was a belief in the Visegrád countries that it is better not to be too flexible, as the countries feared being left on the sidelines of developments with possibly far-reaching consequences.

It is obvious to all involved that the EU will be much more influenced by the results of elections this year – at least in the Netherlands, France, Germany and possibly Italy – than by what will be written down in Rome. Nevertheless, Rome and the weeks before the meeting itself will be a time for discussions on EU reform, and the Visegrád Group plans to be a voice to be heard.

Jarosław Kaczyński, chairman of the ruling Law and Justice (PiS) party, has been supportive of opening negotiations for a new treaty for the EU. Last year he has revealed that he has already reached out to a lawyer to prepare such a proposal. As Kaczyński has an iron grip over the government, Prime Minister Beata Szydło also voiced her support for the reform of the EU last year and promised to work on it. The ministry of foreign affairs is also pushing for it.

Eugeniusz Smolar, a board member at the Centre for International Relations, noted, “there is no chance for a treaty change, as no government will risk a failure of such proposal”. Smolar thinks it is strange that “Kaczyński pushes for treaty change, as there have to be people in his circle who know well that it would be impossible to see through.” He agrees though that “the EU

needs reform and adaptation, and this need has been its feature since the beginning”.

No concrete reform proposals have materialised so far. Given the government’s political disposition, though, it seems reasonable to expect the strengthening powers of the member states and the intergovernmental aspects of the EU in order to limit the amount of power transferred to Brussels. Szydło has mentioned that the goal of the reform would be ensuring that “the EU strengthens the member states, which we do not see at the moment”, as well as “protecting [Polish] sovereignty”.

Nevertheless, “strengthening the sovereignty of member states will be harmful for the Polish position in Europe”, stressed Katarzyna Pełczyńska-Nałęcz, director of the Open Europe Programme at the Stefan Batory Foundation. She explained that Poland is among the EU countries with weaker economies so that decreasing the role of supranational institutions will necessarily weaken the Polish bargaining strength.

While it is still early to discuss the exact shape of reforms, Smolar believes it likely that the current rise of Eurosceptic forces will lead to a deepened integration based on a voluntary model, concentrated around a core of the EU. “And it would be welcomed by PiS,” he added, as the ruling party is not keen on deepening the political integration with the rest of EU.

Rafał Dymek, director of the Polish Robert Schuman Foundation, also sees the need for reform as an inherent part of the EU setup. And while he believes the need to be there, Dymek also warns of starting on reforms without a concrete plan. “Before we make any changes, we need to define our goals: what should be the EU’s responsibilities? For what challenges in twenty years perspective it should be prepared? What societal aspects should be covered by the EU?” he asks, warning that without answering these questions and pairing them with an adequate financial and institutional framework, the result will be chaos.

Pełczyńska-Nałęcz does not see any chance for quick reforms. “For a system of such complexity as the EU, any reform plan would need a support of a strong and numerous group of stakeholders. Currently, I do not see any such group around Poland,” she said.

HUNGARY: TWO-FACED RHETORIC

Viktor Orbán has been on track with a fight for freedom against Brussels since he was elected in 2010. According to Orbán, the European Commission is responsible for the

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complex crisis (both economic and political) of the EU. “Every time the presidents cannot reach a consensus on a question – which happened in case of the Migrant Quota – it is obvious that the Commission tends to implement mandatory political requirements,” said the premier in an article recently published in the right-wing American periodical, the *National Review*.

The truth is that the Commission operates under strict rules imposed by the Council and the European Council within a “new intergovernmentalism”, counters Róbert Csehi economist, political scientist, and researcher at the Central European University.

“In most cases, the blame can be put on intergovernmental institutions and member states. Between 2010-2013 the euro crisis was thoroughly managed in the European Council and the Council, with only marginal contribution from the Commission.”

Csehi claims that if Viktor Orbán is dissatisfied with the EU’s decision-making policy, he might try to build a coalition within the European Council and make a proposal for changing the EU treaty.

Yet, the Hungarian government has been giving mixed signals on the issue of opening the treaties. At the beginning of last year, Orbán urged the importance of it, but he changed his tone after the Brexit referendum.

“It is a signal from the Hungarian diplomacy, which means we are available if the bigger member states are willing to open up,” said Botond Feledy, a researcher for CEID (Central for Euro-Atlantic Integration and Democracy). “Without changing the Treaty, the EU can hardly step forward, although it is a risky project – especially in the countries where referendum is needed – to procrastinate,” he adds.

Budapest is most likely in a wait-and-see position now. “Instead of modifying the power of institutions, Hungary is focusing on improving the functioning of the EU. It is not time to talk about the legal format yet, in which, by the way we are open and flexible,” Szabolcs Takács, State Secretary of EU Affairs, told *Political Capital*.

It would be a challenging test for Hungary to position itself in an institutionally two-speed EU, where the core would be based on the membership of the eurozone, because Hungary has no intention of adopting the common currency yet. Szabolcs Takács also says that Hungary may support deeper economic cooperation for the sake of the eurozone, but only if the unity of the single market and a level playing field are provided and those who stay out will be able to decide freely on joining later.

The Hungarian premier has declared 2017 the year of rebellion, especially against the Commission and the European elite. In spite

of his political rhetoric, Hungarian society has a high opinion of EU institutions. Based on a 2016 Pew poll, 61% of Hungarians think that the European Union is a good thing, whereas in France, it is just 38%. Medián’s last year survey shows that 77% of Hungarians find it positive that Hungary is in the EU.

Orbán’s two-faced rhetoric follows this trend, and while he is constantly attacking Brussels Orbán is also emphasising the economic benefits of the EU membership.

“Orbán’s cultural counter-revolution – supported by Jaroslaw Kaczyński – is about subverting the EU. He is anticipating that mainstream liberal elites are about to fail in the French, German and Dutch elections. Therefore, he and other populists could take over the power in Europe,” said István Hegedűs, president of the Hungarian European Society.

SLOVAKIA: NO DEFENCE REFLEX

On the political level, there is not much appetite for a big overhaul of the EU in Slovakia. Nevertheless, there is a basic mainstream consensus that EU needs consolidation. What that should look like is a more difficult question with few answers. The experience of the presidency of the Council of the EU has left Slovakia slightly more open-minded and willing to reflect on the European future, at least more than in the past.

As the V4 readies its own contribution for the Rome declaration, Slovak Prime Minister Robert Fico hinted in Valletta that the common narrative focuses on the “role of the individual member states”.

“We must respect each other in the EU, there must not be stronger and weaker member states (...) There is no interest in breaking something up, just to be a little more courageous,” given the circumstances of Brexit and new US approach, Fico said. V4 wants to use the momentum to come up with “other ideas that would otherwise probably not be expected from us.”

State Secretary of the Ministry of Foreign Affairs Ivan Korčok says that the V4 will emphasise safeguarding “three most important aspects – eurozone, Schengen and internal market”.

Slovakia is aware of the voices coming from the founding member states calling for a profound reform driven by the devotion to a deep integration and “ever closer union”.

The prime minister says Slovakia does not see the need to open the treaties. Ivan Korčok acknowledges that even in the V4 “we might not have the same opinion when it comes to profound internal changes as called for by Poland.”

But Korčok adds that does not mean Slovakia has “taboos” or a “defensive reflex” in any kind of debate about the future of the EU, be

it an opening of the treaties or differentiated integration.

“But we must clearly state, what kind of differentiation and in which field will move us forward. It must not become the basic principle of future functioning of the EU because that might lead towards further fragmentation.” The reluctance to undertake treaty change is not ideological. Rather, the argument goes that no one has identified what should actually be amended.

At the same time, Bratislava believes that member states should be the driver of the discussion on what kind of reform the EU needs. Slovakia’s state secretary admits that the expected Commission white book on the future of the EU will be a “legitimate contribution to the discussion”, but does not see finding the answers to be an “institutional task”.

There are voices which advocate the need to go further with integration among Slovak public officials. “We are at a point, maybe even beyond it, where we either take a qualitative leap forward, and that would be my preference, or we start to fall apart. Either way, the status quo is unsustainable,” says Ivan Lesay, former state secretary at the ministry of finance responsible for the European agenda, currently its highest ranking official. To Lesay, the situation in the eurozone being a “half-finished product” and facing mainly political risks is one example. Social, tax, security and foreign policies are other candidates for further integration, which however cannot be a goal per se.

The most likely scenario? The EU will survive, but its importance will decline slowly over time, Lesay says.

Would the Slovaks support any major shifts? Yes and no, probably depending on how the question is asked.

Support for the EU is still relatively high in Slovakia. But a recent research that looked deeper into the opinions of citizens gives advises caution. “What has surprised us was that many participants that have spontaneously replied they feel positive about the EU, later, when discussing more specifically, have become very critical and voiced disappointment,” explains political scientist Aneta Világi, of Comenius University.

“We should not be complacent with our stable support of the public for the European integration project,” she warns. “If any ‘Nigel Farage’, starts to mobilise these feelings of inner dissatisfaction and disappointment, I am afraid that the current consensus about the benefits of the EU could evaporate very quickly.”

CZECH REPUBLIC: FOUR FREEDOMS AND SECURITY

The Czech Republic has always been opposed to either opening the treaties or a

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deepening of differentiated integration. There is a prevailing opinion that the legal framework and instruments at hand offer enough room to tackle the current challenges. Regardless of possible variable speeds, the EU should address the biggest expectations of its citizens.

These discussions tend to be currently overshadowed by those focusing on the security aspects of future European cooperation.

Czech Prime Minister Bohuslav Sobotka (Social Democrats) plans to discuss Brexit and the European project's future with all parties elected to the Czech Parliament next week. Sobotka says he wants to have a "nation-wide" discussion across the political spectrum.

According to Pavel Fára, of the Confederation of Industry of the Czech Republic, one of the problems of Czech EU debates is that European topics are used by populists for raising a "storm in a teacup" and sidelining the important issues.

"On the other hand, the European representatives should realise that sometimes

they promote useless proposals which divide the EU rather than solve current issues," he added.

"We do not need 'more Europe', but 'less Europe'. We need less bureaucracy and regulations, more ties between the EU and the US and more free trade," Czech MEP Jan Zahradil, of the Eurosceptic opposition party ODS (ECR), told Euractiv.cz.

Only one-third of Czechs (36%) believe that the European project has a future, according to an opinion poll conducted in April 2016 by the Public Opinion Research Centre (CVVM). More than half (53%) of the 1063 respondents said they did not have confidence in the European integration. These numbers are very similar to what the previous poll on this topic showed in 2012.

According to a Eurobarometer poll conducted last fall, the biggest challenges that the EU faces are immigration (63 %), terrorism (47 %) and the state of public finances (15%), Czechs think.

"Citizens feel secure only if they are confident that they live in an area where full

control of external borders is ensured and where the relevant authorities have sufficient instruments to protect people from danger," Czech State Secretary for European Affairs Tomáš Prouza told Euractiv.cz.

He also said the EU must act more as an active global player responding actively to external crises and threats of all nature.

Regarding economic and social issues, which are also high on the concerns of Czech citizens, according to the polls, the government is focused on preserving the four freedoms of the EU single market.

"The four freedoms have developed equally. We must avoid both European and national measures which would limit these freedoms," Prime Minister Sobotka said in an interview with Euroskop.cz, adding that the most pressing issue is the freedom of movement.

This issue is connected with the negotiations on Brexit. The UK's decision to leave the EU is one of the biggest challenges that the EU has to deal with, Czech MEP Luděk Niedermayer of the pro-EU opposition party TOP 09 (EPP) told EURACTIV. ■

THE V4 WILL NEVER AGREE ON RUSSIA

It would be hard to find a political issue that divides the Visegrád group more than their opinion of the Putin regime.

Authors: Edit Zgut, Jakub Šimkovic, Krzysztof Kokoszczynski and Lukáš Hendrych

While the relationship between NATO and the Russian Federation is tenser than it has ever been since the end of the Cold War, and the V4 decided to send 150 soldiers apiece to the Russian border, which constitutes NATO's eastern flank, members of the group differ widely on their approach to the Kremlin.

Though the traditionally anti-Moscow Poland views President Vladimir Putin's geopolitical efforts as an existential threat to the Baltic states, the Slovakian and Hungarian leaderships are significantly more pro-Russian in this regard. The Hungarian government disguises its pro-Russian stance behind a mask of pragmatism. In the Czech Republic, conversely, President Miloš Zeman openly espouses pro-Russian views.

Although the Visegrád Group followed EU policy since the beginning of the Ukrainian crisis, and it supported the sanctions and stood up for Ukraine's territorial integrity, important differences are noticeable between the policies followed by the four individual governments.

In the following joint article, we will give an overview of the relations between the V4 and Russia and their opinion on the Ukrainian crisis.

CZECHS FIGHT AGAINST RUSSIAN PROPAGANDA

Russia's relationships with western countries have been getting worse over the last few years. The Czech Republic is not an exception. The annexation of Crimea and continuing war in eastern Ukraine are the main reasons why the Czech government has supported EU sanctions since the beginning. Its stance is consistent in this regard.

However, one member of the executive branch opposes this stance. Czech President Miloš Zeman has repeatedly stated that sanctions against Moscow damage Czech agriculture and industry. Last year he even declared that "sanctions are an expression of helplessness". Jaroslav Hanák, the president of the Confederation of Industry of the

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source Kremlin

Czech Republic, has a similar opinion. “We have to take the initiative and propose lifting the sanctions against Russia, especially in the Visegrad Group,” he thinks.

Economic sanctions against Russia probably have had a negative impact on trade between Russia and the Czech Republic. In 2012, bilateral trade amounted to CZK 270 million (€10 million), but in 2015 it was only CZK 180 million (€6.6 million). On the other hand, only 1.9% of total Czech exports went to Russia in 2016. The interests of Czech entrepreneurs focused on Russian markets are understandable. Despite the efforts of Czech business and Zeman, the government’s stance has not changed and, according to many pundits, that is a good thing.

“In my opinion, the policy of our government is correct. However, it would be appropriate if this position would be stressed more loudly to the public,” said Michael Romancov, a political geographer from Charles University in Prague. “V4 countries have to be united in their stances against Russia. We have to oppose Russian policy, which is dangerous mainly for smaller states and states that are situated in the area of Russian – or former Soviet – influence,” he added.

Top 09 MEP Jaromír Štětina (EPP) is more sceptical. “Czech policy towards Russian aggression is too cautious. Pragmatism exceeds the protection of human rights and international law. Czech politicians should demand tougher sanctions,” he said. In his view, V4 countries should follow the example of Poland. “We should be aware of security threats and strengthen our cooperation with NATO. I would also like to see NATO troops in the Czech Republic,” he added.

Disinformation strongly affects Czech society

However, the issue is not only Crimea, the Ukrainian war and sanctions. Recently, we have been able to observe increasingly serious efforts to fight disinformation and propaganda in the Czech Republic. According to opinion polls, many Czechs believe news that is unverified or unreliable, so the efforts of the Czech government have a purpose. For example, a survey undertaken by the STEM agency in June 2016 concludes that more than a half of Czech citizens are convinced that the United States is the cause of migration from Syria. A quarter believes so-called alternative media and disinformation websites and almost 40% of them think that Washington caused the Ukrainian crisis.

The Czech Ministry of Interior established a new Centre against Terrorism and Hybrid Threats, which should, inter alia, focus on disinformation and propaganda in the Czech Republic. There is a similar project on the European level called East StratCom Task Force that was primarily created to fight

against the Russian disinformation campaign. Jakub Kalenský, a Czech journalist, is a member of this force. According to Kalenský, the best way to fight foreign propaganda is the establishment of national centres as the Czech government did.

Barbora Knappová from the Prague Security Studies Institute also confirms the presence of Russian hybrid threats. “The most common way is spreading disinformation on so-called alternative websites. However, Russia influences European public opinion in several ways. These include connections with political parties, even extremist ones, support of paramilitary groups or financial and economic tools,” she stressed.

As far as the Centre against Terrorism and Hybrid Threats is concerned, the Czech president strongly disagrees with it. He repeatedly stressed that no one has a monopoly on truth. He also expressed his doubts about the danger of cyber attacks a few weeks ago. According to him, “the claptraps about all sorts of cyber attacks are kind of a fashion”. Regardless of the president’s words, the Czech government takes these modern threats seriously.

POLAND: RELATIONS ARE COLD BUT DISINFORMATION STILL WORKS

Poland and Russia do not have the best relationship. While the shared, difficult history is certainly a factor, including but not limited to the Cold War period when Poland was a little more than a puppet state for Russia, there are also other factors. Given the hostility between Russia and the West in general, Poland is worried about Russian military exercises and build-up, but the actual bilateral relationship is not used to ease the tension.

As Piotr Buras, the director of the ECFR’s Warsaw Office, noted, “the current [bilateral] relations are on a very low, working level. They are kept this way due to the Russian policy towards Ukraine, as well as relations between Russia and the West, which Poland has little opportunity to change,” said Buras.

Poland has been clear in denouncing the annexation of Crimea by Russia as a violation of international law. Since then, it has led a strong campaign for sanctions against Russia on the international scene, including the European Union.

Other than that, the relationship is rather unfriendly at the moment and openly pro-Russian views have a hard time in making their way into the political mainstream. Nevertheless, that does not mean that Poland has been spared by various pro-Russian disinformation campaigns – far from it. “While due to our shared history it might have seemed that we would be more resistant to Russian disinformation, we are submitting to it. While Russia in Poland cannot use openly pro-Russian elements, it is skilled at exploit-

ing weak spots,” Marta Kowalska, a research fellow at the Pułaski Foundation said.

The economic relationship is also affected by hard feelings between Poland and Russia. Russian gas, and to lesser extent oil, are still important elements of the Polish energy supply. Furthermore, Russia used to be an important export destination for many different branches of the Polish economy, especially for Polish agriculture. Given the current strained state of the relationship between Poland and Russia, the situation is changing. Poland is still the 12th most important trade partner for Russia, but both imports and exports have been falling every year, including the export of machinery from Poland, which is quite important from the perspective of Poland, not to mention the heavy hit taken by Polish agricultural exports in the wake of sanctions against Russia.

Poland and Ukraine: struggling to find a common ground on difficult shared history

Polish-Ukrainian relations, despite Polish support for Kiev since the Maidan protests, including the EU-Ukraine Association Agreement, have become more complicated since the change of government in Poland in 2015. Officially, the Polish government, as Prime Minister Beata Szydło has said, “considers free and independent Ukraine to be a guarantee of security for Poland” and to achieve that goal Warsaw wants to pursue bilateral projects and work together with Kiev. But the situation is not as clear as it would seem.

Poland and Ukraine can hardly find a common ground in conversations about difficult elements of shared history. Debate on current challenges is often burdened by the politics of memory. For example, Ukrainian nationalists insist on celebrating heroes who are considered criminals by the Polish side, while the Polish Sejm defines the actions of the Ukrainian resistance between 1943 and 1945 as ‘genocide’.

Russian disinformation targets tensions between Warsaw and Kiev

These factors leave Poland highly susceptible to Russian disinformation. As Kowalska told EURACTIV POLAND, “Moscow wants to further strain Polish-Ukrainian relations, so Russian disinformation keenly targets Polish-Ukrainian history.”

On the one hand, putting Russian actions aside, Łukasz Jasina of the Polish Institute of International Affairs noted that “after the Maidan revolution the Ukrainian approach to Poland has become more pragmatic: relations with Poland are worth as much as it is possible to gain from them. Hence the cool approach of Kiev to the present government [of Poland]: due to the tensions between Warsaw and Brussels, Ukraine is aware that

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Poland no longer can be as effective on their behalf in Brussels". The growing sense of tension between Poland and Ukraine may continue to loom larger over the coming months, increasing the chance for diplomatic conflict. On the other hand, according to Kowalska, Russian-Polish relations will continue to be de facto frozen, as "there is no chance for improvement in the short-term".

SLOVAKIA: RELUCTANT, BUT STILL IN LINE WITH EU SANCTIONS

Pro-Russian sentiment dating back to the second half of the 19th century is still able to sneak into modern politics in Slovakia, as its historical experience differs from that of its neighbours. During the Bratislava Summit on 16 September 2016, Slovakia's Prime Minister Robert Fico managed to spark an outcry with his assessment on the fulfilment of the Minsk II agreement. Reuters quoted Fico, who said, "Ukraine is doing less than Russia to meet Minsk deal." At times, Fico questions the sanctions imposed by the EU. At the EU level, however, Slovakia is perfectly in line with the Union's sanctions regime. President Andrej Kiska holds a different opinion on Russia than Fico. The attitudes of the two have been consistent since the annexation of Crimea.

Alexander Duleba of the Slovak Foreign Policy Association (SFPA) notes that Slovak Prime Minister was able to find a common interest with Kyiv in rejecting the Nord Stream 2 pipeline project, but at the same time he attended the WWII commemoration in Moscow. President Kiska is, on the contrary, frequently promoting common European decision-making and the need for maintaining the sanctions. Somewhere in the middle, Minister of Foreign and European Affairs Miroslav Lajčák is trying to find a common ground, Duleba explained.

The expert stresses that Slovakia in reality enabled Ukraine to stop importing gas from Russia. "That shows Slovakia's importance for the energy security of Ukraine and the act should be considered a clear support in the context of confrontation with Russia," Duleba said.

Public ambivalence

In March 2016, opinion polls made by Institute for Public Affairs (IVO) were featured in *Diverging Voices, Converging Policies*, a publication of the Heinrich Böll Foundation. One of the authors of the pan-Visegrad analysis, Grigorij Mesežnikov said: "We see the Russian-Ukrainian conflict as a test to our societies, our foreign policy and the politicians." Slovakia was at the time the sole V4 country in which the level of trust in Russians was higher than it was in America (33 % vs. 23%). "We can confirm that the Slovak public have traditionally had a relatively greater affinity towards Russia than any of their neigh-

bours have. [...] The Slovak public view is characterised by ambivalence and the prioritisation of its own pragmatically understood short-sighted interests over more value-based positions," Grigorij Mesežnikov and Oľga Gyárfášová wrote.

One year later, opinion leaders advocating lifting the sanctions against Russia, such as the PM Fico, are turning increasingly vocal, Mesežnikov told EurActiv. If Russia decides to attack Ukraine once again, the public is more likely to side with Ukraine. Until then, the important thing is the viewpoint of opinion-forming politicians and the way the media addresses the conflict.

On the necessity of a new anti-propaganda unit

In Slovakia, like elsewhere in the V4 region, there are dozens of media outlets disseminating Russian propaganda. For more than three years, experts such as Jaroslav Nad' of the Security Slovak Policy Institute (SSPI), have been pointing out that even the comment sections on news websites are riddled with paid opinions devised abroad, the payments possibly coming from Russian intelligence. Minister of Interior Robert Kaliňák finally acknowledged this fact two years later by saying that there are "information channels" trying to undermine Slovakia's position in Euro-Atlantic structures.

EURACTIV Slovakia consulted with claim there is a need to set up a unit dealing with propaganda on a national level. The spokesperson of the Ministry of Interior, Michaela Paulenová, said that hybrid warfare is to be tackled in the forthcoming update of the Security Strategy. She didn't disclose whether the ministry is considering the establishment of a specialized body such as in the Czech Republic.

Paulenová, however, suggested that "certain elements of the targeted Russian propaganda and resentment towards the EU and NATO in Slovakia" are addressed by the National Security and Analytical Centre (NBAC), which brought together representatives of major state security authorities. Mitigating risks posed by the dissemination of extremist propaganda in cyberspace, she explained, is further boosted by a project entitled EMICVEC (Effective Monitoring, Investigation and Countering of Violent Extremism in Cyberspace).

HUNGARY AIMS TO BE THE 'PILLAR' OF RENEWED EU-RUSSIAN RELATIONS

Since the start of the Ukrainian crisis Vladimir Putin and Viktor Orbán have met three times in two years. The latest meeting in the series took place on 2 February, 2017, when the Russian president visited Budapest. This is unparalleled among European leaders and the frequency of meetings indicates that the Hungarian government

has a special attitude towards the Russian leadership.

"This is not a relationship based on mutual trust. Viktor Orbán was one of the most anti-Russian politicians in Europe between 1988 and 2009, which Moscow has not forgotten" – said Russia expert András Rácz, a professor at Pázmány Péter Catholic University. Viktor Orbán's longstanding anti-Russian stance evaporated right after he briefly met Vladimir Putin in 2009. However, what happened during the discussion has been a mystery ever since. Rácz believes Russian-Hungarian relations form an asymmetric system based on occasional interests in the frames of which the Hungarian government's goal is to secure cheap energy to aid its re-election, while the Russian side's purpose is to advance the abolishment of the sanctions.

Pragmatism based on Hungary's energy dependence on Russia has always been a decisive factor in defining incumbent Hungarian governments' Moscow-strategy, and one of the most important building blocks of current Hungarian-Russian relations is the partially top secret Paks project planned to be financed from a loan from Russia. However, the long-term gas contracts allow for low energy prices, which aided Orbán is securing another term in 2014. "I would not consider Hungary a part of the Russian sphere of influence, but certainly an entity Moscow poured resources into, and for this Putin expects something in return," said György Deák András, a senior research fellow at the World Economy Institute.

Relativizing the Russian geopolitical aggression

Budapest mainly differs from the more hard line Poland and the Baltic states in that it does not see the continuity of the threat posed by Russia in relation to the crisis in Ukraine. During his joint press conference with Putin, Viktor Orbán went as far as praising the achievements of Hungarian-Russian bilateral economic ties in the face of the "strongly anti-Russian sentiment in the Western part of the continent" and what he considers to be "fashionable anti-Russian politics".

With regards to the crisis in Ukraine, Orbán only emphasised the importance of implementing the Minsk Treaty, by which he practically relativized the Russian aggression and at the same time made the official Hungarian stance supporting Ukraine's territorial sovereignty and European integration look frivolous. "The Hungarian government's stance repeatedly emphasising Minsk II. It's music to the Kremlin's ears. Russia is not featured in the agreement as a concerned party in any way and neither does the issue of Crimea. Consequently, the Minsk Treaty can-

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not be the basis of a future wide-reaching settlement for Ukraine,” said Russia expert Bíró Sz. Zoltán.

The Orbán government defined Hungary's role as one of the “pillars” of restarting EU-Russia relations by constantly arguing for lifting sanctions, which led Russian propaganda channel Sputnik to call Hungary the “battering ram” of the Kremlin. Fidesz claims sanctions have caused a serious loss in the volume of exports to Hungary. “The sanctions policy does not only influence the performance of Russian economy, but also that of former Soviet republics closely tied to Russia, which has quite strong effects on Hungary. The total loss amounts to USD 6.7 billion due to the decline in the volume of goods and services exported,” Deputy State Secretary for Eastern Opening Zsolt Csutora told Political Capital. The minister admitted that his number is not based on the real data from 2013, but on a sanctionless 2014-2016

scenario. Zoltán Sz. Bíró believes the goal of the government echoing this completely unrealistic number is to create a reason for criticising the sanctions policy.

Following the Russian pattern

The now regular Russian-Hungarian leadership summits' significance in non-economic matters is underlined by the fact that Viktor Orbán himself referred to the success of the Russian illiberal model in 2014, and it seems like he follows the Russian example when he moves against free media and civil society organisations “attempting to overthrow the government” or the ones labelled as “foreign agents”. Moreover, the Hungarian government's rhetoric does not touch upon the existence of the information war that is accepted as a part of official Russian hybrid warfare, which is the opposite of the practice in the region, even though the Ministry of Foreign Affairs and Trade's background institution admitted that the Russian prop-

aganda machine uses Hungary as a tool in its attack against Western values and the EU. Increasing political influence is also indicated by the fact that the Russian thread is not explored or investigated properly in cases threatening Hungarian or regional national security that involve Russian secret services' influencing attempts. For example, in the case of the far-right paramilitary organisation holding joint drills with “Russian diplomats,” the Russian connection has not been investigated appropriately and it is unlikely this will happen due to close Hungarian-Russian relations.

This situation has materialised in a society where 32% of Hungarian respondents to a survey said Hungary should be part of the West, and Eastern-oriented respondents were barely visible (6%). The relative majority (50%) would place our nation between the West and the East – at least in geopolitical and cultural terms. ■

V4 ENERGY SECURITY: THE LAND OF NUCLEAR AND COAL

Visegrád countries are seeking ways to ensure energy security while delivering on their climate commitments. Nuclear is seen as the ideal solution by some, with natural gas playing a limited role.

Authors: Adéla Denková, Edit Zgut, Krzysztof Kokoszcy and Pavol Szalai

Energy systems in Europe are changing, with the increasing deployment of renewable sources redefining old truths. According to ideal visions, the energy mix in the EU should be based on energy efficiency, renewables and natural gas, which is perceived as a relatively clean source, flexible enough to be compatible with solar or wind power.

Ironically, it is not profitable to operate gas power plants under current market conditions, and many say renewables are to be blamed for this.

In November 2016, the European Commission introduced a jumbo legislative package (aka Winter Package). Apart from the obvious, it is an attempt to restore stability to the electricity market in the EU.

There are two ways for Europe to ensure stability for investments into stable conventional power plants, as member states have to decide between a market-based approach and so-called capacity mechanisms designed to remunerate the availability of electricity generation.

This is one of the issues that the countries of the Visegrád Group – Poland, Czech Republic, Hungary and Slovakia – are divided on. While the Czechs oppose the implementation of capacity mechanisms, versions of

such a scheme were already introduced in Slovakia.

Poland is preparing for an introduction of its own mechanism, too. But the country, reliant on coal, is strongly against a proposal by the Commission to impose an emission limit that would prevent coal power plants from entering the capacity support schemes.

One of the solutions for Poland to decrease its dependence on coal could be to opt for nuclear power. That would be in line with the strategies of the other V4 states. Two new reactors are being built in Slovakia, and the Czech Republic has started to look for a supplier of technology for another one. And Hungary has already received approval for the Russia-financed Paks II project.

HUNGARY: ONE WORD – PAKS

The construction of two new nuclear blocks at the Paks site is the epicentre of Viktor Orbán government's energy strategy.

Hungary currently depends on energy imports for 70% of its needs. The government believes the easiest solution is to increase the capacity of the country's only nuclear plant, contrary to the main concerns that this nuclear deal will further increase dependence on the Russian energy industry.

Government commissioner András Aradszki argues that stable electricity production systems and new capacities that do not depend on weather conditions are needed because otherwise the country's ability to provide electricity at satisfactory prices would be threatened. Some experts claim that nuclear energy has had a place in the Hungarian energy mix for a long time to help

diversify resources, among other reasons.

Hungarian Greens/EFA MEP Benedek Jávor says Hungary currently depends on Russia for 60% of its energy needs and it does not make sense that the Fidesz government wants to remedy this by a treaty on a nuclear power plant financed by a Russian loan, built by the Russians, constructed using Russian technology and depending on (imported) Russian fuel for its operation.

“The government made no meaningful attempt to outline an alternative to the two new blocks, even though estimates suggest investment costs would be as much as 30 per cent lower than what will be spent on the Paks expansion, by focusing on renewable energy and improving energy efficiency,” the MEP said.

Hungarian governments have never been fond of renewable energy resources. “The Orbán government went as far as putting special taxes on solar energy-related investments and made it completely impossible to construct wind turbines. This is unprecedented and goes against European energy policy and global trends openly,” president of the Energy Club Ada Ámon said.

The Commission raised concerns about several issues regarding the €12.5 billion Paks investment, including the lack of public procurement tender and illegal state aid to the plant, but in the end gave a green light to the project.

According to the latest polls, the project is opposed by 43% of Hungarians. However,

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23% have not yet decided what they think about it.

Regulated prices of energy: Paws off!

Energy policy, namely the Energy Union, has become one of the constant sources of conflict between Brussels and the Hungarian government. Viktor Orbán believes the EU wants to ban Hungarian utility cost cuts by amending the directive regulating the electricity market as part of the Winter Package.

The European Commission's actual problem with Hungarian energy policy is that the government sets energy prices in decrees and the benefits of this are only available to household consumers. Fidesz wants to keep the regulation of household electricity prices in the hands of member states. It could serve their own electoral goals, influential Hungarian journalist Gábor Stier explains. Utility cost cuts were already one of the main campaign messages of Fidesz in 2014.

Stier says it is one of the reasons why it is important for Hungary to obtain favourable negotiation positions with Russia. He says this was successfully achieved by the extension of Hungary's long-term natural gas contract.

On the contrary, Ada Ámon said it is alarming that our dependence on the Russian energy industry is increasing. She also believes that the partly classified treaty on the Paks nuclear plant subordinates Hungary to Russian interests not just in energy, but politically as well.

SLOVAKIA: THE NUCLEAR CHAMPION

Few in Slovakia believe that nuclear energy will not play a crucial role in the country's electricity mix in the following decades. At 58% in 2015, its share will further increase before the end of the decade following the launch of two new reactors at Mochovce.

Alexander Duleba, an energy analyst at the Slovak Foreign Policy Association (SFPA), believes that a safe operation of reactors is the key to Slovakia's energy security, but also to cheap supplies. "The power produced in old nuclear reactors is currently the least expensive," Duleba told EurActiv.sk.

The analyst does, however, foresee a gradual increase of the share of decentralised renewables, which covered 23% of electricity demand in 2015, with hydropower playing the prime role.

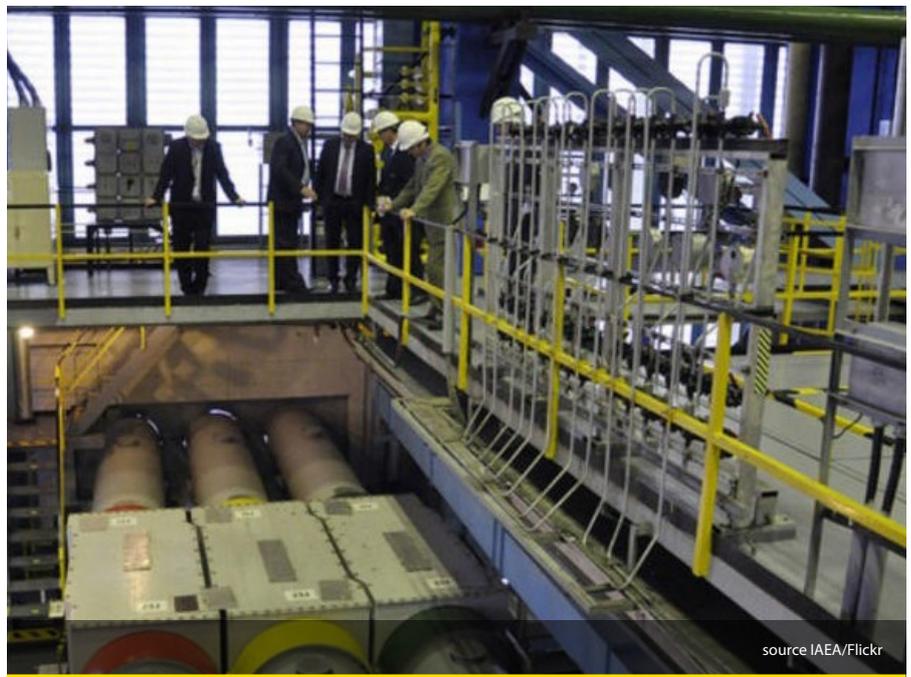
"Nuclear energy is the basis of low-emission power production and renewable sources play a significant role in meeting the objectives stemming from the EU membership and help reducing global warming," the Slovak ministry of economy also said, stressing the priority of "energy security" and "cost effectiveness".

Raising the percentage of renewables in the energy mix is the goal of the Slovak Associa-

tion of Photovoltaic Industry (SAPI). "Big centralised units – including nuclear reactors – are 'a matter of the past'," Ján Karaba of SAPI told EurActiv.sk.

There is a consensus that renewables, as a domestic source of power, contribute to security of supplies. At the same time, the overwhelming view is sceptical of their subsidies and fearful of their role in the system stability. In fact, since 2013, distribution system operators have been refusing to connect to the grid renewable capacities superior to 10 kW.

Karol Galek, an opposition member of the Slovak parliament's economy committee and the energy expert of the Sloboda a Solidarita party, believes that nuclear energy will continue to play a dominant role. But he adds that "unsubsidized renewables, which must reflect local conditions, have the biggest potential".



source IAEA/Flickr

According to energy analyst Karel Hirman, "energy security means the accessibility of sufficient amount of energy for a fair and affordable price when this energy/power is needed." That implies a mix that does not threaten the grid's stability by unpredictable fluctuations. "The deployment of renewables must stick to this frame," Hirman told to EurActiv.sk.

Coal vs gas: Coal prevails

It is generally acknowledged that subsidies for renewables deformed the energy market, which in turn undermined gas power. It is illustrated by the fate of modern gas power plant Malženice.

"After a short test operation, the plant had to close, because it was not capable of producing electricity under the operation costs

of 70 EUR/MWh, the long-term market price being slightly higher than 30 EUR/MWh," Duleba explained.

Karaba believes that "introducing some form of capacity mechanism" would be the solution. This is also the hope of the dominant gas utility and emerging power utility Slovenský Plynárenský Priemysel (SPP).

The company welcomed the introduction of CO₂ limits as a criterion for capacity mechanisms in the Commission's Winter Package. It hopes that the proposals include the factor of "emissions of other polluting substances", too.

A kind of a capacity mechanism – in the form of feed-in tariffs – was already introduced in Slovakia, designed for the Nováky plant powered by domestic brown coal.

It is unlikely that the power from coal (currently 12% in the electricity mix) will be re-

placed by natural gas (6%) in the foreseeable future. The image of the cleanest fossil fuel was, moreover, damaged by the 2009 gas crisis.

"Today, Slovakia is a far more secure country in terms of gas supplies than in 2009," Duleba said, adding, however, that gas has a much more important role to play in heating. "Together with the Netherlands we have the densest gas network in the EU," he also stressed.

SPP also underlined there is a great opportunity for natural gas offered by energy efficiency measures, joining a cross-sectoral consensus on the contribution of energy efficiency to Slovakia's energy security. Despite the continued decrease in energy in-

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tensity, in 2015 Slovakia's figure still ranked among the highest in the EU and 80 percent higher than EU's average.

CZECH REPUBLIC: NOTHING BUT THE MARKET

In its energy strategy until 2040, the Czech Republic counts on nuclear power to replace coal as the main pillar of electricity generation. Its share should rise from the current 33% up to 45 or 50% over the next 23 years, helping the country both with stable electricity supplies and climate goals fulfilment.

By 2037, a new reactor at the Dukovany site should be put operation, possibly followed by another one later. There is also a plan to expand the other nuclear plant in Temelín.

The government has already got in touch with potential technology suppliers, but one serious challenge remains unsolved. The model for financing of this project worth around €4 billion is still unclear, and Prime Minister Bohuslav Sobotka already informed that there is no will to offer any kind of price guarantees.

Just like in other European countries, investment into conventional generation sources is considered to be critically unprofitable. That is also why the Czech ministry of industry and trade views the currently negotiated EU electricity market reform as a crucial issue. New market design should put an end to market distortions, according to the Czechs.

A "Level playing field must be ensured for all market participants," the Czech negotiating position reads, underlining that active consumers or local energy communities should be subject to the same conditions.

Renewable sources of energy should play a significant role in the country's future electricity mix. In 2040, they could cover up to 25% of power generation, according to the national strategy. However, the government is cautious when it comes to financial support of green energy, based on bad experiences with "solar boom" which occurred between 2009 and 2010.

"The rapid development of renewables turned the electricity market upside down, completely destroying the traditional investment cycle in many countries and regions including the Czech Republic and Central Europe. It also brings significant costs for grid maintenance," says Václav Trejbal, an analyst for the Czech confederation of industry.

On the other hand, together with energy efficiency measures, renewables are considered to contribute to energy security. "Physically, these are the only domestic sources (unlike oil, gas or nuclear) which we are not running out of (unlike coal)", Karel Polanecký of the Friends of the Earth Czech Republic said.

"When it comes to energy security, decen-

tralised systems independent from fuel supplies are the best solution we have been able to come up. An energy system based on renewables could look that way," Jan Osička from Masaryk University in Brno also thinks.

Would gas save it?

Regarding the current problems of market functioning, there is a coincidence of three factors: low price of allowances in the European emission trading scheme (EU ETS), low price of coal, and generation overcapacity, according to Osička.

"When it comes to electricity price, the problem is that the fossil fuel industry does not pay adequately for the environmental damages they cause," Polanecký also said. Imposing a carbon tax could solve the low price of allowances, he thinks.

Unlike many other countries, the Czech Republic strongly opposes the establishment of capacity mechanisms.

"These should be the last resort measures, justified by the regional generation adequacy assessment conducted according to the EU common methodology. Capacity mechanisms should be market-based and not market distorting, and should include comprehensive phase-out roadmaps in case that the market deficiencies are removed. They must also be cross-border opened," said Lenka Kovačovská, the Czech deputy minister of industry and trade claimed at the Energy Council at the end of February.

One of the theoretical questions constantly present in Czech energy debates is whether natural gas could play a more significant role in electricity generation, possibly replacing nuclear in energy strategies.

According to green NGOs, which put emphasis on the need to reduce consumption of gas in heating, it could complement renewables in the electricity mix, as it is a flexible source, and it is also cleaner than coal. This view is shared by a broader spectrum of stakeholders. However, concerns remain due to the bad image of gas connected with the security of supplies.

Osička says there is no need to worry. "We are the best-prepared country in Europe when it comes to the N-1 standard of supply security. In January 2009 we survived a thirteen-day-long interruption of the main supply route – without problems. Since 2014 we have successfully participated in supplying Ukraine with gas from Western Europe," he stressed.

According to Trejbal, gas does have its place in Czech energy mix. "It is also one of the assumptions of the Czech energy strategy," he said. The strategic document counts on 5 to 15% of gas in electricity generation.

However, Trejbal mentions the fate of modern gas plant in Počeradý, very much similar

to Malženice in Slovakia. Unless the price of allowances and electricity is higher than today, it does not make sense to build new gas generation capacities, Trejbal said. In his view, domestic reserves of coal offer a more probable alternative to the nuclear blocs at the moment.

POLAND: COAL (AND NUCLEAR?)

Poland is a very traditional market in terms of energy supply. Most of the energy generated by Polish power plants comes from fossil fuels. Coal's position is dominant and unlikely to change in the coming years – plants fuelled by black and brown coal are responsible for generating over 80% of energy in Poland.

Coal plants are not only providing jobs by themselves. They are also connected with coal mines and strong as ever miners' labour unions that vehemently oppose any plans leading to a decrease in their power. As they are a highly-organised and motivated group of voters, the miners enjoy a significant amount of influence in Polish politics.

Poland also plans to join the club of countries using nuclear energy. The country's first nuclear power plant was supposed to be on-line in 2024, but it has suffered a number of delays and currently the earliest date for it to become operational is 2029 or 2030.

Current energy minister Krzysztof Tchórzewski stressed recently the need for such power plant, and he hopes that the construction can start in "the coming two years". He added that a nuclear power plant is necessary for Poland, especially as the country plans to continue use of coal, so nuclear power will be "necessary to stabilise our energy mix".

In terms of renewable energy, there are two main sources in Poland: biomass (over 80% of all the energy from renewable sources) and, to a far smaller degree, wind (10%). According to the recent numbers by Eurostat, the total RES share in 2015 was 11.8% against the target of 15% in 2020.

The potential of renewables was supposed to be strengthened by a new bill in 2015. Yet it was criticised by the groups as the legislation, together with amendments added in 2016, slowed down the market and failed to support the development of the small-scale generation by citizens, farmers and SMEs and the so-called prosumer economy.

"The small-scale generation of energy from renewable sources should be a basis for the development of a decentralised power sector in Poland and for contribution to the 2020 RES target, which now is not likely to be achieved," EURACTIV.pl was told by Grzegorz Wiśniewski, president of the EC BREC Institute for Renewable Energy.

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He admitted that given the increased politicisation of the Polish energy sector as a whole, it is difficult to foresee how the electricity market will develop. However more and more politicians are calling for legal enforcement of the development of prosumer energy, he said.

Gas: Let's have links to everyone

Natural gas security is a much more complicated issue than coal. Poland imports nearly 75% of its gas from outside of the country. The chief source of imports is Russia – over 70% of the gas imported to Poland is bought from Gazprom.

Yet there are many ways for the situation to change. As Robert Zajdler from the Sobieski Institute noted, the gas infrastructure has been improving in Poland over the recent years. "We have both new LNG terminal in Świnoujście and plans for the Baltic Pipe connecting Poland to Denmark and Norway," he noted.

The Świnoujście terminal, put into operation in 2015, can host 5 billion cubic meters of LNG per year, less than a third of the Polish yearly demand. Poland has a long-term contract with Qatar for supplying the LNG, which uses about a third of the terminal's capacity and is supported by spot transactions, most recently with Statoil.

Other than the terminal, Poland invests in connections with most of its neighbours. "We have a good connection with the German market which is both big and liquid enough to be able to provide us with security. There are also already existing and planned, connections with the Czech Republic, Slovakia, and Lithuania which will further improve our security," Zajdler explained.



Source: www.pixabay.com

Finally, Poland is trying to lever its membership in the EU to secure its supply. Civic Platform MEP Jerzy Buzek (EPP) and Donald Tusk, while he was still prime minister of Poland, had been the initial force pushing for the closer energy union.

"Thanks to the Polish actions, the EU has

been convinced to focus more on the energy security, which includes pushing for increased cooperation between the member states, protected status, and plans for joint purchases, though the latter were not implemented," senior fellow of the Pulaski Foundation Przemysław Zaleski said. ■



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