



Priorities of the Hungarian Presidency of the Council of the European Union

Gergely Bánhegyi, Ambassador of Hungary to Ireland

Oireachtas Joint Committee on European Union Affairs

3 July 2024

Dia dhaoibh! Cathaoirleach, Distinguished Members of the Committee,

As ambassador of Hungary to Ireland it is my honour to give you a brief introduction to the Hungarian Presidency of the Council of the European Union. Hungary takes over the Presidency under **extraordinary circumstances**. Our Union is facing enormous challenges due to the war on our continent, a fragile global security environment, illegal migration, competitiveness challenges, the vulnerability of international supply chains, natural disasters, the effects of climate change, and the impact of demographic trends.

Furthermore, as 2024 is a year of **institutional transition**, the Hungarian Presidency will have to ensure the continuity of the work in the Council, in cooperation with a newly established European Parliament and European Commission, and will have to start the implementation of the **Strategic Agenda 2024-2029**, setting out the long-term guidelines for the Union's future. Due to this transition, the first half of the presidency will be dominated by institutional changes, and the second half will deal with „classical” legislative tasks.

First and foremost, let me mention that the Hungarian Presidency will work as an **honest broker**, in the spirit of sincere cooperation between Member States and institutions, for the peace, security and prosperity of a truly strong Europe. The Hungarian Presidency counts on the support of Ireland in this endeavour.

As in 2010-2011, we are sharing the **trio presidency with Spain and Belgium**. The trio presidency programme was adopted last summer, and the programme of the Hungarian presidency – which is in line with the priorities of the trio programme – was published on 18 June. The Hungarian Presidency as the last member of the current trio will also form a link to the work of the next trio commencing in 2025 with the Polish Presidency.

Presidency preparations have been ongoing for the past 2 years. Please let me mention a few cornerstones:

We expect a heavy **legislative workload** despite the aforementioned institutional transition, with 122 dossiers taken over from the Belgian presidency.

In Brussels we plan 2 European Council meetings, 37 formal Council meetings and 4 EUROGROUP meetings. In addition to this, there will be approximately 1600 formal working group meetings.

The Hungarian Presidency will be Brussels-based. Nevertheless, we will organise **approximately 230 events in Hungary**, mainly in Budapest, among these 3 informal summits, namely the informal European Council meeting, the European Political Community Summit, and the EU-Western-Balkans Summit, as well as 16 informal Council meetings.

With the **Ministry of European Union Affairs** established in August 2023, for the first time in her history Hungary has a dedicated ministry to EU affairs, which will have the oversight and coordination over the presidency tasks. Hungary has been preparing its presidency very thoroughly, **we have consulted an unprecedented number (280) of stakeholders** before completing our presidency's programme, EU Member States and Institutions, candidate countries, business entities, NGOs, public bodies, regions or representatives of national minorities. The number of diplomats at Permanent Representation to the EU has almost been doubled and we have hired temporary experts in the line ministries in Budapest.

We believe that the **programme of our Presidency** is well-balanced, innovative and future-proof. Please allow me to inform you about the **priorities** of the semester ahead of us:

1. New European Competitiveness Deal

In the current international environment where Europe is lagging behind its global competitors, it is vital to improve the productivity and thus the competitiveness of the Union and its Member States and to stimulate growth. It is in our common interest to address the effects of the challenging economic circumstances of the recent years, such as high inflation, increased public debt, high energy prices, fragmentation of international supply chains, lower productivity and slower economic growth compared to our competitors, and to put the EU economy back on an upward trajectory.

Therefore, the Hungarian Presidency will place a strong emphasis on improving European competitiveness by applying a holistic approach. Our aim is to contribute to the development of a technology-neutral industrial strategy, a framework for boosting European productivity, an open economy and international economic cooperation, as well as a flexible labour market that creates secure jobs and offers fair and raising wages in Europe, which is a crucial factor to growth and competitiveness.

The adoption of a New European Competitiveness Deal is a key priority of the Hungarian Presidency in order to strengthen economic development, create the conditions for sustainable growth, deepen the internal market, focus on supporting small and medium-sized enterprises, promote the green and digital transition and ensure the stability and sustainability of jobs.

2. Reinforcement of the European defence policy

The ongoing and emerging conflicts on our continent and around the globe clearly demonstrate that Europe needs to significantly improve its defence capabilities, international crisis management responsiveness and capacities. Beyond defence policy alliances and cooperation, the European Union must play a greater role in guaranteeing its own security by strengthening its resilience and capacity to act.

Bearing this in mind, the Hungarian Presidency will place particular emphasis on strengthening the European Defence Technological and Industrial Base, including defence innovation and the enhancement of defence procurement cooperation between Member States, beyond the implementation of the Strategic Compass that defines the main directions of the EU's defence policy.

3. A consistent and merit-based enlargement policy

Enlargement is one of the most successful policies of the European Union. To preserve this strength, it is essential to keep enlargement policy merit-based, balanced and credible. The European Union has been engaged long in ensuring a European perspective for the Western Balkans, as the Community cannot be complete without the accession of this region. The region's integration benefits the EU in economic, security and geopolitical terms. To further broaden and deepen our cooperation, we will invite our partners to consultations both in the framework of the EU-Western Balkans Summit and the European Political Community.

4. Stemming illegal migration

The migratory pressure that Europe has been facing for several years is not only a challenge to the Union as a whole but also places a huge burden on individual Member States, especially those at the external borders of the Union. It has been a long-term objective of the EU to tackle this issue, which requires effective, even short-term instruments. In order to find the appropriate solutions, closer cooperation is indispensable with countries bordering the EU as well as the key countries of origin and transit.

In addition, illegal migration and human trafficking must be curbed. In this respect, the Hungarian Presidency will pay particular attention to the external dimension of migration, including efficient cooperation with relevant third countries, more effective returns, and innovative solutions for rules on asylum. In addition, during the follow-up on the implementation of the annual priorities of the Schengen cycle, we intend to highlight the importance of external border protection and the need for EU funds for this purpose.

5. Shaping the future of cohesion policy

To ensure harmonious and balanced development in the Union, it is essential for Europe to reduce regional disparities as well as to secure economic, social, and territorial cohesion. A well-structured and balanced cohesion policy is the key instrument in this regard. Cohesion policy has proven successful for decades in achieving the objectives enshrined in the Treaties.

However, as the 9th Cohesion Report points out, there are still significant development gaps between Member States and within regions, considering that more than a quarter of the EU's population lives in regions not reaching 75% of the Union's average development level. The Hungarian Presidency will aim for a high-level strategic debate on the future of cohesion policy, including its role in promoting competitiveness and employment, as well as in addressing demographic challenges.

6. A farmer-oriented EU agricultural policy

European agriculture may have never faced as many challenges as it does today. Extraordinary weather conditions caused by climate change, growing input costs, increasing imports from third countries and overly stringent production rules have significantly decreased the competitiveness of the sector. It is essential to view agriculture not as a cause of climate change, but as part of the solution, by engaging farmers in adopting more sustainable production practices. A long-term guarantee of food sovereignty and food security should be an essential part of the strategic autonomy of the EU.

In the semester ahead, the Hungarian Presidency will encourage the Agriculture and Fisheries Council to guide the new Commission in formulating the rules of the Union's post-2027 agricultural policy for a competitive, crisis-proof and farmer-friendly agriculture. Promoting sustainable agriculture is a key priority to find a rational balance between the strategic objectives of the European Green Deal, the stabilisation of agricultural markets and a decent standard of living for farmers.

7. Addressing demographic challenges

The accelerating ageing of European societies, unsustainable social welfare systems, labour shortages or rural depopulation are long-standing and intensifying problems that need to be addressed urgently and effectively. These issues have a huge impact on the competitiveness of the EU and the sustainability of public finances. The Hungarian Presidency, fully respecting the competences of Member States, wishes to draw attention to these challenges, and acknowledges that the Commission's demographic toolbox, published in October 2023, provides a good basis for that.

As conclusion I would like to reiterate that the Hungarian Presidency will work towards a stronger, safer and more prosperous European Union in close cooperation with all Member States and the Institutions.

Go raibh míle maith agaibh! Thank you very much!