




Weekly Briefing

Hungary external relations briefing:
The Hungarian Interpretation of the 2nd Chinese International
Import Expo
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The Hungarian Interpretation of the 2nd Chinese International Import Expo

This external relations briefing analyzes the media coverage of the 2nd Chinese International Import Expo in 2019. The Chinese International Import Expo took place in Shanghai between 5 and 10 November 2019. According to the official data, around 71.3 billion USD of intended deals have been registered during the exhibition, which is significantly higher than last year. 3,800 firms participating in the expo have been counted from 181 countries this year.

We did the same analysis of interpretation last year too and as we will be able to see later last year's summary can be applied to this year as well. We put it this way: "By and large, it can be argued, that the CIIE received positive responses in Hungary, however, it must be also underlined that media coverage was very weak. That is the reason why facts reporting articles prevailed, while comments or analyses were not represented too strongly. At the same time, it is also clear, that the event was rather covered as an important business event, not as a political gathering."

We can clearly conclude this time too that the event was interpreted in Hungary as a business opportunity, not a political summit and that might have been the reason why the coverage of the event was poor and analytic approach in most of the cases was absent from the articles. At the same China-related business news and other news with long-lasting significant results (agreements, establishment of cooperation frameworks, contracts) are covered frequently in the Hungarian media, thus the visit of the Hungarian Minister for Technology and Innovation to China in November had a much better media coverage than the CIEE.

1. The Chinese International Import Expo

The website of the Hungarian government published one article that is closely related to the 2nd Chinese International Import Expo. The text was later re-published by other websites and news agencies and that is why the article is more significant than others. The text refers to the visit Hungarian Minister for Foreign Affairs and Trade in China and his attendance at the Chinese International Import Expo. The minister reminded that the Eastern Opening Policy of Hungary started 9 years ago, when the Hungarian economy was on the brink of collapse. The

goal of the government was not only to rescue the economy but to strengthen it. He underlined that the goals of the Hungarian economy were

- full employment – now it is at 3.5 percent;
- to increase growth – GDP growth was 5.2 in 2018, the second-highest one among the EU members;
- to improve export performance – last year was a record year as for export;
- to speed up the inflow of foreign investment – last year was a record year in this aspect too.

It was obvious that he intended to attract more Chinese investors with a detailed description of the country's economic achievement, mainly emphasizing stability and fast economic growth in Hungary. According to the article, the Hungarian foreign minister had a meeting with Ni Yuefeng, the Head of General Administration of Customs. Details of the negotiations were not made public. And that might be the other difference to last year's expo, that business deals between Hungarian and Chinese partners were not mentioned and emphasized in the articles particularly, however, the China Eastern Airlines is to operate two direct flights to Budapest from January 2020.). The minister underlined the significance of the two lines for tourism. Departure airports are Xian and Chengdu which are two engines of Chinese economic growth, the Hungarian minister emphasized.

After the speech, the representatives of the Hungarian and Chinese firms discussed in the panel talk what opportunities are offered to the middle-sized countries by the One Belt and One Road Initiative in our complex geopolitical environment.

Another speech at this forum was reported by the news portals too. Mr. Hendrich, the CEO of the Hungarian Export Promoting Agency told the media at the Chinese International Import Expo that the participants and visitors of the expo can get in touch with the innovative side of the Hungarian economy. Besides tourism and investment opportunities, the focus was set upon innovative firms, agricultural products, and even cultural events were held for the visitors.

2. Other China-related business news from November

As said before the media coverage was poor since business deals were not announced, and probably due to the same reason, the visit of Mr. Palkovics, the Hungarian Minister for Technology and Innovation was covered by the media more frequently. On the one hand, the following agreements were underlined in the Magyar Nemzet:

- The Ministry for Technology and Innovation signed a cooperation agreement about innovation and technology transfer with Tsinghua University in Beijing, The Hungarian software firm also agreed with the university about the center, which should give place for the technology transfer.
- Budapest Corvinus University also signed an agreement with the Chinese CTrip firm whose core business is to deliver travel services. The firm is about to set up an office and dual training center at Corvinus University.
- Cooperation between the Záhony Logistics and Industrial Zone Consortium and the Central European Trade and Logistics Zone was set up which allows for further trade opportunities for both countries.
- The Minister underlined that the last barriers in the way of the Budapest-Belgrade railway have been removed, since according to the plan the contract about financing the project can be signed until the end of the year, and construction works can start from early 2020.
- He also pointed out that the agreement about setting up a branch institute of the Shanghai Fudan University will be signed too. The University will be the first Chinese university in Europe.

The Hungarian Minister for Technology and Trade signed a framework agreement with China about vocational training cooperation. According to the agreement, 230 stipends are provided by both sides, including MSC, BSc, Ph.D. training and short-term research grants.

The Magyar Nemzet also published an article in the context of this visit. The Minister for Technology and Innovation opened the Hungarian pavilion at the 12th China Hi-Tech Fair on 17 November 2019, which took place just a few days after the CIIE in Shanghai. Probably one of the reasons why Hungarian media focused more on the exhibition is because Hungary was the guest of honors this time. The article underlined the significance of the following negotiations:

- He had a meeting with the management of the Chinese BYD, which has already established a plant in Hungary after 2017. The main topic was how to deepen the cooperation in the field of assembly of electric vehicles with Hungary.

- He also met the leaders of the BGI, which is a firm specializing in genomics. The firm is a front-runner in the field of DNA sequencing.

- The minister had negotiations with the mayor of Shenzhen too; the main topic was setting up a practice-oriented teaching and research exchange program involving firms already present in both Hungary and Shenzhen.

As we can see, the CIIE was not focused on too much in the Hungarian media, because announcements about new deals and investments were not made, however, other events – such as the China Hi-Tech Fair – was covered more in Hungary due to the outcomes of the meetings and negotiations.

We also must emphasize that economy-related news from China are more likely to be covered than simple meetings and fairs without long-lasting outcomes. That is probably the reason why the measures taken by the People's Bank of China on Wednesday were focused on by articles already on Thursday. Portfolio.hu – maybe the most influential business news portal in Hungary – published an article, which besides the description of the measures – cutting interest rates, increasing liquidity – put an emphasis on the cautious approach of the Chinese decisions-makers in the efforts to bolster economic growth.

3. Summary

It can be argued that the CIIE did not receive special attention in the Hungarian media, since – as pointed out before – bigger business deals or agreements were absent from the agenda. Though we must add that the announcement of the two new air routes between Hungary and China was not reflected in the Hungarian media. Only the 444.hu published a short, neutral articles about the announcement.

At the same time, we must point out that other China-related business and political news were covered frequently by the Hungarian news portals and news agencies this month. It is really rare that China-related business news catches the attention without Hungary-related elements, however the stimulus measures of the People’s Bank of China belong to these news. From the Hungarian point of view, cooperation in the field of education, research and technology seem to be very important elements of the agenda. In all cases, we can point out that analytic approach was not typical for the articles analyzed in this briefing, but descriptive method prevailed in those articles. The only exemption was that the Shanghai Fudan University’s plans to establish a branch in Budapest, since negative comments focused on a – false – analogy between the Fudan University and Central European University.