



# Weekly Briefing

**Hungary external relations briefing:  
At crossroads: European Council Meeting on  
December 14-15, 2023**

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## **At crossroads: European Council Meeting on December 14-15, 2023**

*European Council meetings are usually more formal, and it is very rare that several long-term, strategic decisions are made at these gatherings; however, the last one (14-15, December, 2023) appears to be one of these rare occasions. The European leaders discussed Ukraine's membership application, the situation in the Middle East, enlargement and reforms, the mid-term review of the European Union's long-term budget for 2021-2027, security and defense policy, migration policy, hybrid attacks, the fight against antisemitism, racism and xenophobia, and the EU strategic agenda 2024-2029. The meeting has been one of the most decisive in recent years. This briefing looks at the main results of the meeting and especially the steps of the Hungarian foreign policy.*

### **Ahead of the meeting**

Before the EU council meeting took place, it was clear that the main decision at the meeting was to launch or not the accession talks with Ukraine. While the majority of the EU members wanted to open accession talks with Ukraine, Hungary was an outlier, standing in the way of this decision. The Ukrainian foreign minister was clear about his mission at the EU council meeting. He said before the meeting: "I came here with a clear message of Ukraine's commitment to do its homework, to open accession talks and move towards membership in the EU. In return, in the spirit of partnership, mutual interests and reciprocity, we also expect the European Union to make a decision that will appreciate the effort made by Ukraine and grant to our country opening of the accession talks..."<sup>1</sup>

The Hungarian decision was built upon national interests and the sovereignty of the country while others (distortedly) claimed that the Hungarian decision was linked to the transfer of EU funds to Hungary. The Hungarian foreign minister simply argued that "If you look at the expectations set by the European Union and what the Ukrainians have done so far,

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<sup>1</sup> <https://www.voanews.com/a/eu-to-decide-on-ukraine-membership-talks-as-hungary-threatens-veto/7395194.html>

it is clear that the European Commission's assessment that the Ukrainians already met four out of seven prerequisites is simply false; it is not true..."<sup>2</sup>

These prerequisites go back to the so-called Copenhagen criteria, which were formulated in June 1993. These criteria included the respect of minority rights, at which the Hungarian government had serious debates with Ukraine. On other criteria, see an excerpt of the European Council conclusions: "Membership requires that a candidate country has achieved stability of institutions guaranteeing democracy, the rule of law, human rights, respect for and protection of minorities, the existence of a functioning market economy, as well as the capacity to cope with competitive pressure and market forces within the Union. Membership presupposes the candidate's ability to take on the obligations of membership including adherence to the aims of political, economic, and monetary union."<sup>3</sup>

In this case, it is clear the European Union was trying to get Hungary to join a decision that is obviously not acceptable to the country. The Hungarian approach to this policy seems to not give up on national interests or the country's sovereign decision-making power. While European experts argued before the council meeting that the psychological impact of not granting Ukraine candidate status would be quite considerable, because it would give a boost to the Russian President. And it would raise doubts on whether the West has accepted that Ukraine should be part of the Western camp, we think that that argument was part of a bullying strategy which would have forced Hungary into a decision which clearly is not fitting the country.

The above argument was not only aggressive but flawed too, since EU membership also means certain standards that the candidate country has to meet before its accession to the European Union. In the case of the 2004, 2007, and 2013 enlargements, the countries that finally joined the EU made a long road, and it took them many years even to open accession talks and then to finally fulfill the membership criteria. It is hardly believable that a country in war is near to starting the accession talks. At least for three reasons: (1) Ukraine is a country at the moment whose borders are not secure since it is at war. (2) The country is kept on a financial ventilator by the West since the war started. (3) And we can also not forget that Ukraine's membership must be preceded by the complete overhaul of EU policies because the size of the country and economic underdevelopment would require a radical extension of

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<sup>2</sup> <https://www.voanews.com/a/eu-to-decide-on-ukraine-membership-talks-as-hungary-threatens-veto/7395194.html>

<sup>3</sup> [https://www.europarl.europa.eu/enlargement/ec/pdf/cop\\_en.pdf](https://www.europarl.europa.eu/enlargement/ec/pdf/cop_en.pdf)

the EU budget or the complete review and the change of the rules of how the EU distributes financial funds between the countries. That is especially true of the agricultural policy.

The Hungarian Minister of Regional Development summarized this thinking this way: “Ukraine is a country at war, defending its own land while part of its territory is under occupation. It, therefore, cannot meet one of the basic conditions for opening accession negotiations because it cannot say how much territory and population it actually controls...”<sup>4</sup> The facts seem to simply be ignored by the Western mainstream media, experts, and politicians, and therefore we definitely do not jump to the conclusion if we say that Ukraine's membership in the EU is rather a geopolitical decision which enjoys the support of the United States too, than a rational choice based on economic and social development successes of Ukraine.

Another interesting aspect of the story is that the Hungarian government got the green light from the European Commission one day before the EU council meeting and was granted access to 10.2 billion euros to finance development projects across the country. The European Commissioner for Justice argued this way: “We have received sufficient guarantees to say that the independence of the judiciary will be strengthened in Hungary...”<sup>5</sup>

Since the release of the EU funds for Hungary and Hungary's veto on the start of Ukraine's accession talks coincided, many speculated that Brussels wanted to appease the Hungarian government by releasing these funds. While the speculation was denied from several sources, it is clear if the funds for Ukraine would come from an amended EU budget, it would hurt Hungary's interests and the two issues would or could be linked. That is the reason why Hungary threatened to veto the 50 billion euros aid for Ukraine.

### **During the meeting**

As a matter of fact, Hungary did not veto the start of the accession talks with Ukraine, but the Hungarian Prime Minister left the room when the question was voted upon. According to the rules, the decision required unanimity (the consent of all countries), but if the representative of a member state is not present, the voting still can go on. The compromise was suggested by the German Chancellor. According to media news, about three hours after a

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<sup>4</sup><https://hungarytoday.hu/hungarys-eu-presidency-could-contribute-to-raising-the-prestige-of-christian-democracy-minister-says/>

<sup>5</sup><https://www.euronews.com/my-europe/2023/12/13/brussels-releases-10-billion-in-frozen-eu-funds-for-hungary-amid-orbans-threats>

deadlock in the EU leaders' discussion on Ukraine's accession, Olaf Scholz suggested the Hungarian prime minister leave the hall and drink coffee, and the Hungarian Prime Minister followed the “advice”.

There are many interpretations of Scholz’s feint. Some argue that it was an elegant trick from the German politicians, while others point out that the accession talks can be stopped by Hungary at many stages later, so the decision to open accession talk with Ukraine was rather a gesture and it does not necessarily lead to the membership of the country, as the case of Turkey showed us when it started the negotiations in 1987 and did not lead to EU membership until recently. (In 2019, a European parliament committee voted to suspend the accession talks, sparking criticism from Turkey.)

Another point of the EU council meeting was to gather support for Ukraine and vote on a 50 billion euros aid package for Ukraine. The proposal was vetoed by Hungary. Since the meeting took place, there have been unconfirmed news about that

EU members want to avoid the situation that Hungary vetoes again and look for other opportunities to financially support Ukraine.

According to the original proposal, the so-called 50-billion euros Ukraine Facility would comprise 33 billion euros in low-interest loans and 17 billion euros in non-repayable grants. But the decision on the 50 billion euro is linked to a broader 100-billion euros review of the EU’s long-term budget-. While previously a group of Northern countries fiercely opposed the size of the top-up and bargained for a scaled-down review, all 26 countries – except Hungary – had come to an agreement on the review and the Ukraine Facility.

The Hungarian Prime Minister explained the decision the following way: “The correct thing is to support Ukraine, and Hungary is doing just that by launching the largest humanitarian aid operation.”<sup>6</sup> Then he added that every country can make its sovereign decision on how they support Ukraine based on their situation. Hungary does not transport weapons to Ukraine but is engaged in humanitarian aid for Ukraine. Hungary also supports Ukraine financially.

He put it this way: “Hungary has also made this decision: we don't support Ukraine with weapons, but we do with money. Ukraine already receives significant amounts monthly from the European Union budget, which includes Hungary's contribution. Ukraine receives this to ensure the state remains functional. Whether we want to additionally give money from

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<sup>6</sup><https://magyarnemzet.hu/belfold/2023/12/orban-viktor-ukrajna-tamogatasa-helyes-de-nem-mehet-a-magyarok-rovasara>

Hungarians', Germans', or Dutch's pockets to Ukrainians is another question. It's not far-fetched to talk about supporting Ukraine; that's sensible talk ... [he added] that we oppose providing support through joint borrowing and from the existing EU budget."<sup>7</sup>

The Hungarian Premier Minister also explained why he did not want to support the start of accession talks with Ukraine. According to the news, Ukrainian authorities explicitly banned Porosenko, former Ukrainian President recently to leave the country. The former Ukrainian president would have had talks with the Hungarian Premier Minister. Mr. Orbán reacted this way. "If the Ukrainian state assesses that the departure of an individual from the country's territory may pose a national security risk, then they should act accordingly. However, this raises a question: if the encounter of a Ukrainian citizen with a Hungarian Prime Minister poses a national security risk, then how do they aim to be European Union members?"

As we pointed out earlier in this briefing, Ukraine seems to be very far from a normal country at the moment, since it is at war and it has to behave this way too. There is another lesson from earlier enlargement rounds too. While negotiating with the candidate country, the EU conveyed the message that candidates cannot import existing conflicts or unsolved disputes with the neighbors. That lesson or principle should matter in the case of Ukraine since the country is at war and has unresolved issues with other EU members too.

### **Other decisions at the council meeting**

Besides Ukraine's membership, the European Council decided on other matters too. Moldova, Georgia, North Macedonia, Bosnia and Herzegovina also applied for membership. Only Moldova got the green light from the European Commission, while the EU council debated questions regarding the EU budget and the Middle East. In these questions, no conclusions could be reached by the council.

At the end of its meeting, the European Council made the following decisions:

- It decided to open accession talks with Ukraine and the Republic of Moldova.
- The European Council also decided to grant the status of candidate country to Georgia, on the understanding that the relevant steps set out in the Commission recommendation of 8 November 2023 are taken.

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<sup>7</sup><https://magyarnemzet.hu/belfold/2023/12/orban-viktor-ukrajna-tamogatasa-helyes-de-nem-mehet-a-magyarok-rovasara>

- The European Council showed willingness to open accession negotiations with Bosnia and Herzegovina, once the necessary degree of compliance with the membership criteria is achieved.

- The European Union confirmed it is ready to complete the opening phase of the accession negotiations with North Macedonia as soon as it has implemented its commitment to complete the constitutional changes as referred to in the Council conclusions of 18 July 2022, in line with its internal procedures.<sup>8</sup>

Regarding security and defense, the European Council underlined the “urgency to facilitate and coordinate joint procurement and to increase the European defense industry’s interoperability and production capacity in order to replenish Member State stocks...” The European Council also called on the High Representative and the Commission to present “a European Defense Industrial Strategy (EDIS), including a proposal for a European Defense Investment Program (EDIP), in light of the need to strengthen the European defense technological and industrial base, including SMEs, and to make it more innovative, competitive, and resilient.”

The Council emphasized the development of an integrated market in the field of defense to reinforce cross-border supply chains, ensure critical technologies, and improve the competitiveness of the European defense industry. It called on the European Investment Bank to support European security and defense, while building on the bank’s Strategic European Security Initiative.

### **After the meeting**

While there is a possibility to reach an agreement at the council meeting in January, the European Commission prepared an alternative finance package for Ukraine. According to the plan, member countries would provide financial guarantees for the EU, enabling the European Commission to borrow on the financial markets worth 20 billion euros.

At the same time, efforts to send money for Ukraine failed in the U.S. Senate since lawmakers broke for the holidays without reaching a deal on border security funding in return for Republican votes to send almost 60 billion dollars in aid to Ukraine. The White House has

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<sup>8</sup><https://www.consilium.europa.eu/media/68967/europeancouncilconclusions-14-15-12-2023-en.pdf>

approved the last tranche of U.S. military aid worth around 250 million dollars, but this tranche was the last one available for Ukraine without new consent of the Senate.<sup>9</sup>

According to Bloomberg's information, Germany is sure that the EU countries can proceed even without Hungary's approval for Ukraine next year. As mentioned earlier, EU countries want to go to the financial markets and borrow money there for Ukraine's military aid, but there is a second element revealed by the Bloomberg's article. During a press conference, the Foreign Ministry spokesman confirmed that the German government is committed to giving military aid to Ukraine worth 8 billion euros in the next year, while also underlining that Germany favors the approval of the 50 billion euros aid package for the country at war.<sup>10</sup>

## Summary

The December 14-15, 2023, European Council Meeting emerged as a pivotal session, marked by discussions on crucial matters ranging from Ukraine's membership application to broader policy reforms within the European Union (EU). Led by Hungarian perspectives and decisions, the meeting drew attention due to Hungary's stance on opening accession talks with Ukraine, while the Hungarian stance also drew a lot of unjustified criticism from many sides.

Before the gathering, the primary agenda item centered around whether to initiate accession talks with Ukraine. While most EU members favored this move, Hungary stood as an outlier, questioning the readiness of Ukraine to meet the accession criteria. Hungary's objection came from well-founded concerns about Ukraine's fulfillment of the Copenhagen criteria, particularly regarding minority rights, which had been a contentious issue between Hungary and Ukraine. At the same time, we cannot say that other criteria would have been met too.

The Hungarian government emphasized heavily the importance of upholding national interests and sovereignty in decision-making. It drew clear parallels with its own accession process from 1994 to 2024, highlighting the time and effort it took Hungary to meet EU membership criteria. This stance also underscored Hungary's insistence on applying consistent standards to Ukraine's accession process, otherwise Ukraine's membership must be interpreted as a geopolitical move, which can be strongly contrasted with the candidates in the

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<sup>9</sup><https://www.bbc.com/news/world-us-canada-67830918>

<sup>10</sup><https://www.bloomberg.com/news/articles/2023-12-28/germany-sees-eu-deal-on-ukraine-aid-package-even-without-hungary>



Balkans, who are more clearly prepared to start accession talks than Ukraine, but the decision is still pending.

The EU's strong push for Ukraine's immediate accession faced criticism from Hungarian officials too, who argued that the current geopolitical climate, Ukraine's ongoing conflict, and economic challenges made immediate talks implausible. They contended that the EU was overlooking crucial factors and pressuring Hungary into an unfavorable decision. At the same time, Hungary did not stand in the way of the decisions by not being present at this particular vote which requires unanimity.

Simultaneously, the European Commission's release of 10 billion euros for Hungarian development projects raised speculation about attempts to sway Hungary's position by linking financial aid to policy decisions.

During the meeting, while Hungary did not formally veto the initiation of Ukraine's accession talks, the Hungarian Prime Minister opted to leave the room during the crucial vote. This strategic move allowed the voting process to continue without Hungary's direct opposition, leaving open the possibility of influencing the talks in subsequent stages.

Moreover, Hungary's clear stance extended beyond the issue of accession talks. It emphasized supporting Ukraine through humanitarian aid rather than providing direct military assistance, reflecting a distinct approach compared to other EU member states. Therefore, Hungary vetoed the 50 billion euros military aid for Ukraine.

Apart from Ukraine, the Council discussed other membership applications and policy matters concerning the EU budget, the Middle East, and security. Moldova received also approval for membership talks, while discussions on other applicants remained inconclusive and North Macedonia, Bosnia and Herzegovina, and Georgia still have to wait for the start of the accession talk.

The Council also highlighted the urgency of strengthening European defense capabilities, advocating joint procurement and increased coordination among member states. It emphasized the need for a European Defense Industrial Strategy and Investment Program to enhance the defense industry's competitiveness and resilience.

Post-meeting, alternative finance packages for Ukraine were proposed in anticipation of potential deadlock resolutions. Efforts to secure funding for Ukraine faced hurdles, with the U.S. Senate failing to reach agreements on aid packages amid ongoing deliberations during the holiday period.

Germany also emerged as a proactive advocate for Ukraine, expressing commitment to providing substantial military aid and supporting the approval of the 50-billion-euro aid package despite Hungary's reservations.

In summary, the December 2023 European Council Meeting showcased Hungary's firm stance on Ukraine's accession talks, underscoring concerns about the geopolitical context, the EU's approach, and the need for stringent adherence to accession criteria. The meeting signaled ongoing debates and potential alternative to finance Ukraine, reflecting the complex dynamics within the EU and its member states.