

Hungary

Kiev turns off the oil tap and Brussels “plays for time” The EU Commission’s high-handed behaviour

by “Hungary Today”

(CH-S) In the Swiss media landscape, you hardly ever hear about the problems that individual European Union (EU) states have with the Brussels headquarters. Not without reason, as dissonance with the EU is currently not opportune in the Swiss mainstream media landscape – while Swiss voters are being forced to swallow even closer ties with the EU.

For some time now, hardly anything has been heard in the Swiss press about the autocratic behaviour of the EU Commission, the cases of corruption, the dysfunctional external borders and much more besides. “Swiss Standpoint” documents here an example of how the Brussels bureaucracy deals with Budapest directly from Hungary.

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It is quite possible that Brussels and even *Ursula von der Leyen* herself have suggested to Ukraine that a large part of the Russian oil should not be allowed through to Hungary, the communications director of the Hungarian *Fidesz* party told the public media.

Tamás Menczer told *M1* and *Kossuth Radio* that the Ukrainian decision threatens the energy security of Hungary and Slovakia, although this is prohibited by the *EU-Ukraine Association Agreement*. Brussels, the European Commission, should act in this situation to protect its member states and “monitor” the agreement, the communications director emphasised, adding that nothing is happening in this regard.

“What we said at the beginning, what we have said over and over again, needs to be said more and more clearly: It was probably Brussels or *Ursula von der Leyen* herself who suggested to Ukraine to turn off the oil tap”, said *Tamás Menczer*.

Tamás Menczer emphasised that there are legal and technical options in this situation. He also made it clear that Hungary does not want to blackmail Ukraine in the same way, but the fact is that a significant proportion of the energy consumed by Ukraine – more than 40 percent of



Oil refinery in Hungary. (Picture ma)

electricity, more than 10 percent of oil and natural gas – reaches the neighbouring country via Hungary.

In a post on his social network, *Barna Pál Zsigmond*, Parliamentary State Secretary of the Ministry of EU Affairs, wrote: “It was recently reported in the press that a decree of the Ukrainian president, which came into force at the end of June, has stopped oil supplies from *Lukoil* to *MOL* [Hungarian oil company] via Ukraine, as the Russian company cannot rent the Ukrainian pipeline network for transit.” The State Secretary recalled that *Lukoil* is the largest supplier of crude oil to Hungary via the southern section of the *Druzhba* pipeline.

The Ukrainian move is also significant because *Lukoil* provides about a third of *MOL*’s Russian crude oil imports, some 6–6.2 million tonnes per year, he stressed.

He pointed out that the EU leadership has so far failed to react to Ukraine’s unprecedented action, which threatens the oil supply of two EU countries, and is unwilling to stand up for the interests of Hungary and Slovakia. According to the State Secretary, Brussels is “playing for time” and instead of taking immediate action to clarify the unilateral action of the Ukrainian side, which runs counter to the *EU-Ukraine Association Agreement*, the Commission is waiting for the

Hungarian and Slovakian sides to demonstrate the impact of the hostile and seriously illegal behaviour of the Ukrainian side on the Member States concerned.

It is unacceptable that Ukraine, which wants to become a member of the EU, is trying to blackmail Hungary and Slovakia with such an unfriendly move, and that the European Commission is supporting them by pointing to Hungary's and Slovakia's oil reserves and downplaying the importance of the situation.

At the end of his speech, he explained that Hungary, together with Slovakia, had initiated a consultation procedure with the European Commission in the run-up to the arbitration proceedings in the hope that the Commission would ultimately side with the Member States it was originally supposed to help.

The European Commission has come to the provisional conclusion that an urgent consultation on Lukoil deliveries from Ukraine does not seem justified, given that there is currently no sign of an immediate threat to security of supply, a European Commission spokesperson explained at the Commission's regular daily press conference on Thursday [1st August] in Brussels.

The spokesman said that EU Trade Commissioner *Valdis Dombrovskis* had discussed the issue of Lukoil deliveries at length with Ukrainian Prime Minister *Denys Shmyhal*. Following this meeting, the European Commission sent a second letter to the relevant Hungarian and Slovakian ministers to inform them of the Brussels authority's preliminary analysis and to encourage the two Member States to provide additional and detailed information, he said.

The EU executive's preliminary analysis showed that in July the missing oil volume from Lukoil was made up by various other suppliers via the same Druzhba oil pipeline. There are also other alternatives for Hungary and Slovakia, such as increasing imports from the company JANAF, which operates the Adriatic oil pipeline in Croatia. JANAF has sufficient capacity for both countries, emphasised another spokesperson.

According to MOL, the Croatian oil pipeline operator JANAF continues to charge disproportionately high and unfair prices for its services and has increased them significantly in recent years, so that they are now several times higher than the European reference price. JANAF cannot compensate for a possible loss of the Russian pipeline, which supplies 'two and a half countries' – Hungary, Slovakia and part of the Czech Republic – as it does not have the necessary capacity, explained *Péter Szijjártó* in the spring.

The Minister of Foreign Affairs and Trade reacted today to the letter from *Valdis Dombrovskis*: "The Vice-President's letter proves once again that Ukrainians can get away with anything against the EU member States, especially if the latter are in favour of peace and do not supply arms."

He pointed out that Croatia is not a reliable transit country. In addition to the overpriced transit price and limited capacities, the minister also referred to the lack of Croatian investment in infrastructure.

Source: MTI via *Ungarn Heute*: <https://ungarnheute.hu/news/kiew-dreht-den-oelhahn-zu-bruessel-spielt-auf-zeit-22994/>, 2 August 2024

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