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Polish Presidency of the Council A paradigm shift in Polish European policy

Poland is holding the Presidency of the Council of the European Union in the first half of 2025. After a controversial Hungarian presidency and political turbulence in France and Germany, European public opinion is looking to Poland, where an openly Eurosceptic government was ousted in the 2023 elections. This change has come at a time when the European Union is facing major existential challenges, in particular with the war in Ukraine, which are especially resonant in Poland. The hopes pinned on Poland are as much a reflection of the impression of a leadership vacuum in Europe that Warsaw - who else at the moment? - could fill, as well as the country's growing economic and geopolitical position after two decades of EU membership.

"SECURITY, EUROPE!"

The central theme of the <u>Polish presidency</u> of the <u>Council</u> is <u>security</u>, with a cross-cutting approach to the economy, access to information, energy, food and health safety and, above all, border security.

The construction of a <u>defence union</u> is an objective emphasised in all the major plans of the European institutions. With this in mind, the European Union has strengthened its defence policy instruments and ambitions since Brexit and Donald Trump's first term in office. The invasion of Ukraine has considerably accelerated this process, which could gain momentum with the US President's second term now underway.

But one major challenge remains: the financing of European defence, an area to which Poland is paying particular attention. <u>According to Ursula</u>

von der Leyen, the European Union should devote an additional €500 billion to military spending over the next ten years. Poland, which intends to devote 4,7 % of its GDP to military spending in 2025 (€43 billion), is already assuming a significant share of this effort, but the chances of all EU Member States releasing such substantial funds from their national budgets are fairly slim. Indeed, the Polish Prime Minister, Donald Tusk, told the European Parliament that Europe must arm itself if it is to survive: 'People must not associate democracy with a lack of strength'.

In the meantime, the available European funds seem disproportionate to what is required, and seem to focus solely on supporting industry. Under the European defence industry programme (EDIP), only 1.5 billion $\mathfrak C$ is available until the next multiannual financial framework (2028-2034).

Hence the idea of creating joint European funds, which Poland strongly supports and is pushing forward, being at the forefront of deepening cooperation in this area. Warsaw therefore is supporting proposals for joint loans or, at the very least, joint loan guarantees, contracted exclusively by a coalition of willing countries, with individual repayment responsibilities.

This approach represents a possible solution to the main obstacles to the creation of a significant defence fund: the unanimity rule and the reluctance of some countries, particularly Germany, to take on common debts or issue Eurobonds. In this model, uncooperative governments such as Hungary or Slovakia might not participate, while key partners such as the

UK and Norway might do so, given that the fund would operate outside the framework of an EU initiative stricto sensu.

The debate on a defence union and common European spending concerns not only the sources of funding, but also the definition of the objectives of this spending. Poland, which gives priority to the rapid strengthening of Europe's defence capabilities, believes that the emphasis should be placed first and foremost on filling the gaps in armaments: in practice, it favours buying weapons where they are available... regardless of their geographical origin. Poland has been pursuing this policy for a number of years, for example by concluding contracts with American and South Korean suppliers.

Another approach, favoured in particular by France and Italy - which are major arms producers - is to invest mainly in the European arms industry and to give preference to Europe: "Buy European". Its supporters stress that the considerable expenditure must be aimed at strengthening European industry in the long term, as this is how the European Union will be able to guarantee the necessary capabilities for its own defence.

For Poland, it is important for the funds to be used to prepare Europe for a possible invasion - this is the task of Defence Commissioner Andrius Kubilius with a view to the <u>publication of a White Paper</u> on the future of European defence – and they do not exclusively go to European businesses alone, because the reindustrialisation of Europe in this area will take a long time and because the Polish defence industry is not a strong player... yet. Indeed, the main market player, the Polish Armaments Group (PGZ), is considered a rather obsolete structure. The government is planning major changes, without specifying their nature.

One of the main projects that Warsaw wishes to include in the European Union's defence policy is the construction of the "Eastern Shield", i.e. a plan to develop fortifications on the eastern border, joint protection against missiles and anti-aircraft defence in the countries of Central and Eastern Europe (Poland

and the Baltic States). Within this framework, Polish Prime Minister Donald Tusk has already announced an investment plan, known as the National Security Plan, that enjoys a total budget of 2.31 billion € which will be used to strengthen the borders with Russia (Kaliningrad) and Belarus and to develop a satellite component, financed by the European Investment Bank (EIB). This project will be separate from, but integrated with, the existing barrier along the Belarusian border, which will be reinforced.

Poland and Greece have also proposed the creation of a European "Iron Dome". The idea of Prime Ministers Donald Tusk and Kyriakos Mitsotakis is based on the principle that missile defence, which is necessary to guarantee the continent's security, should be recognised as a European public good. The aim is for the European Union to have a single version of this system, designed to protect against threats from missiles, drones and other means of aerial attack. The Greco-Polish initiative goes further than the project for the European Sky Shield, as it involves joint European funding. But for Berlin, this presupposes that a coalition of countries supporting the European Sky Shield will jointly purchase the equipment, but each will pay its own share.

Poland's leaders have distanced themselves from the discussions regarding the dispatch of European peacekeeping troops to Ukraine, focusing instead on increasing aid to prevent the front line from collapsing. However, with Donald Trump advocating a cessation of hostilities, the European Union's influence in the negotiations will depend on the will of its Member States to shoulder the financial and military burdens. This could accelerate European defence cooperation, with a possible military mission by a coalition of countries becoming a central issue. Such a mission would probably require Poland's support, given its interest in Ukraine's stability and its military capacity.

UKRAINE'S BID TO JOIN THE EUROPEAN UNION: POLAND, ADVOCATE OR RIVAL?

The war in Ukraine has brought the enlargement policy back to the fore, which had been effectively

blocked since 2013, while the candidate countries of the Western Balkans have stagnated on the road to accession.

However a new phase in <u>Ukraine's relations with the European Union</u> has opened up, not so much because of the decision to grant Ukraine candidate status, but because of the introduction - with Warsaw's consent - by the European Union of a temporary opening of the European market to Ukrainian products in the spring of 2022. This <u>damaged Poland's image</u> as the unconditional defender of its neighbour. The <u>autonomous trade measures (ATM)</u> introduced by the European Union aimed to unblock exports of Ukrainian agricultural products, in particular cereals, a key sector of the local economy whose exports to world markets had been interrupted by Russia's blockade of Black Sea ports.

Since 2023, Polish-Ukrainian relations have been strained by agricultural imports and transport disputes. In response to farmers' protests, Poland extended restrictions on Ukrainian products after a wave of imports disrupted local markets, prompting Ukraine to lodge a complaint with the WTO. The European Union introduced quotas on sensitive products in 2024: since these measures are due to expire in 2025, new negotiations will be necessary.

Tensions were heightened when Polish haulage companies protested against Ukrainian hauliers charging lower prices due to regulatory loopholes, leading to revisions of the EU-Ukraine agreement regarding road freight, to the addition of safeguard clauses and stricter documentation requirements. While these measures have helped to stabilise operations, the more general tensions have not been resolved.

The future integration of the Ukrainian market into that of Europe remains a major challenge for Polish policy in terms of the enlargement of the European Union. Ukraine, affected by the war, has thus obtained, with certain limits, a level of access to the European market comparable to the conditions for full membership, without having to adapt to the numerous European requirements even before starting negotiations. The pace and extent of this opening up

of agricultural products has been criticised, particularly in Poland, the country most exposed to Ukrainian competition.

Ukraine's gradual integration into the European market will however be a key element of the European Union's policy regarding Ukraine during the preaccession period and a condition in maintaining the credibility of the offer of membership. Striking the right balance between opening up to Ukraine and protecting national interests (or those of certain social groups), particularly in Poland, will be a politically sensitive task that could generate tensions and crises in the years to come.

Bilateral issues between Poland and Ukraine, rooted in their complex and often painful history, pose significant challenges to the enlargement process. The exhumation of Polish victims of the Volhynia massacre in 1943, which is thought to have claimed up to 100,000 victims, is one of the main points of contention. The Ukrainian government's resistance to this process has prompted strong statements from Polish leaders, including Donald Tusk, who have linked progress on this issue to Ukraine's aspirations to join the European Union. Although the issue seems now to be in the process of being solved, as Ukrainian Foreign Minister Andriy Sybiha has pointed out, it has nonetheless strained relations and fuelled anti-Ukrainian rhetoric in Polish domestic politics, complicating enlargement efforts over the last two years.

At the start of the Polish Presidency, the Polish Prime Minister Donald Tusk and the Ukrainian President Volodymyr Zelensky met on 15 January and agreed on a joint declaration reasserting the strategic partnership between their two countries and expressing strong support for Ukraine's accession to the European Union, with the aim of calming things down. At European level, and following the latest report published in November 2024, the first series of negotiation chapters, focused on fundamental factors such as the rule of law, will be opened. In addition, there could be an acceleration in the opening up of foreign and security policy, which focuses on aligning the policies of the candidate countries with those of the Union, a convergence that is

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already more than significant. Nevertheless, the most critical and difficult decisions concerning enlargement remain to be taken.

Could Poland rise to the occasion during its Presidency of the Council? While the upcoming presidential election in May 2025 and unresolved strategic dilemmas pose significant challenges, Poland has an opportunity to play a decisive role in shaping the EU's future. The symbolic transition of the presidency from Viktor Orbán to Donald Tusk highlights two contrasting visions for Europe: Orbán's Euroscepticism and divisiveness versus Tusk's emphasis on pro-European unity and solidarity. As the largest country in Central and Eastern Europe and the EU's leader in defence spending relative to GDP, Poland is well-positioned to address the pressing challenges facing the Union, particularly as the war in Ukraine underscores the strategic importance of the region.

By abandoning grand visions in favour of pragmatic and moderate ambitions, Donald Tusk's leadership signals a turning point for Poland's role in the European Union, offering a counterbalance to the centrifugal forces threatening its cohesion. This effort may include a renewed attempt to revitalise the <u>Weimar Triangle</u> in collaboration with <u>France</u> and the new German government.

"The future of Europe depends on Central Europe," wrote Austrian diplomats Erhard Busek and Emil Brix[1]. This is not the first time that the history of Europe has been decided in Central Europe, but it is perhaps the first time that it has had the opportunity to significantly influence its course.

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wird, Kremayr & Scheriau, 2018; Central Europe Revisited, Routledge 2023

[1] Warum Europas Zukunft

in Mitteleuropa entschieden

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