



# CORVINUS

UNIVERSITY of  
BUDAPEST

CORVINUS

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**“The CAP and national priorities within the EU budget after 2020”  
11-13 June 2018, Lidzbark Warmiński , Poland**

# **State and opportunities of the Hungarian and Polish agricultural trade in the light of CAP budgetary restrictions**

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# Outline

- Introduction
- Trade issues
  - World trade
  - Polish-Hungarian trade
  - Major products
- Future of agricultural trade
- Summary and conclusions

# Main principles of the CAP

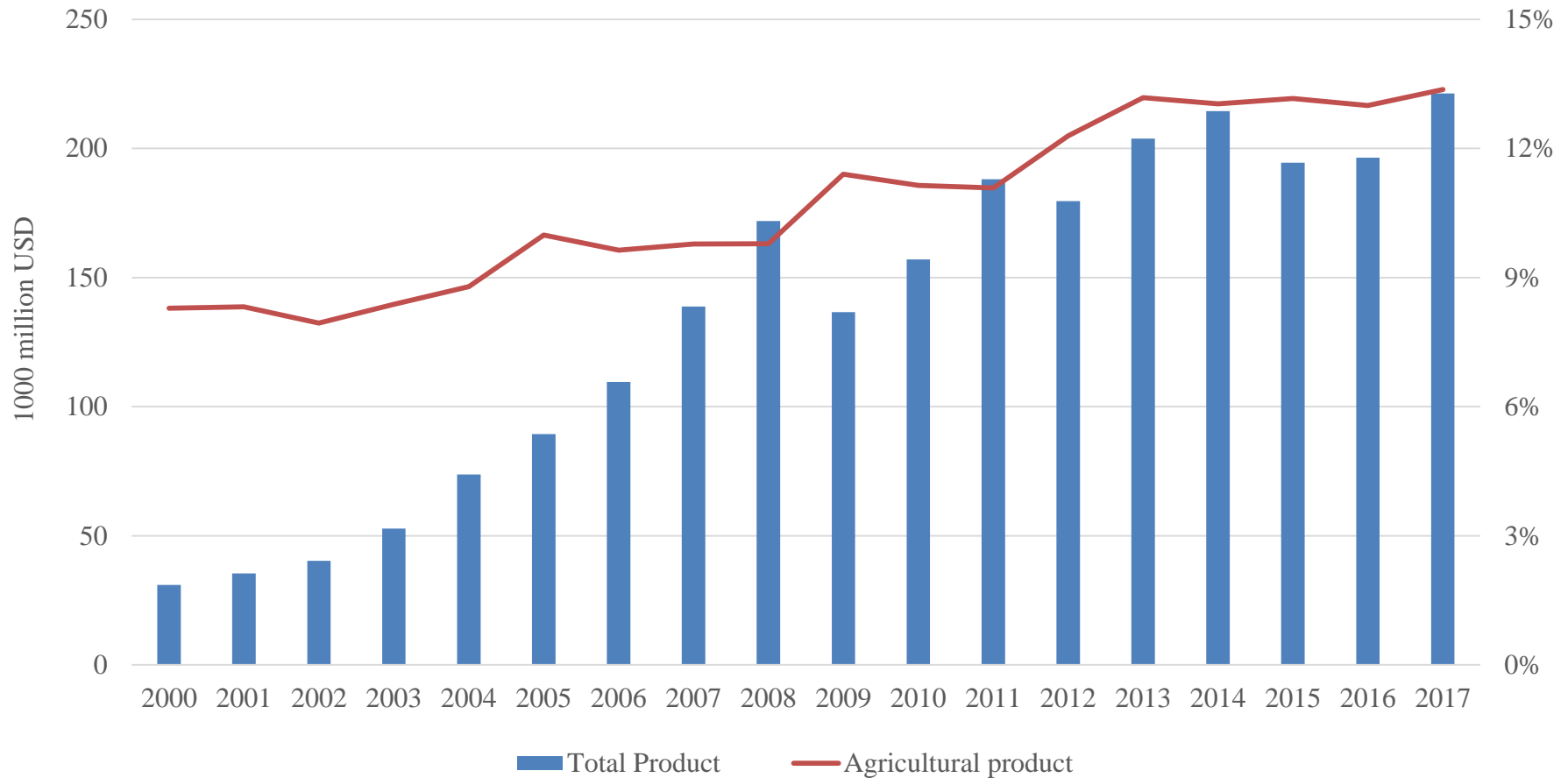
Stresa conference, 1958:

- Community preference
- Financial solidarity
- Market unity
  - free-intra community trade
  - Custom union – freedom of movement of goods

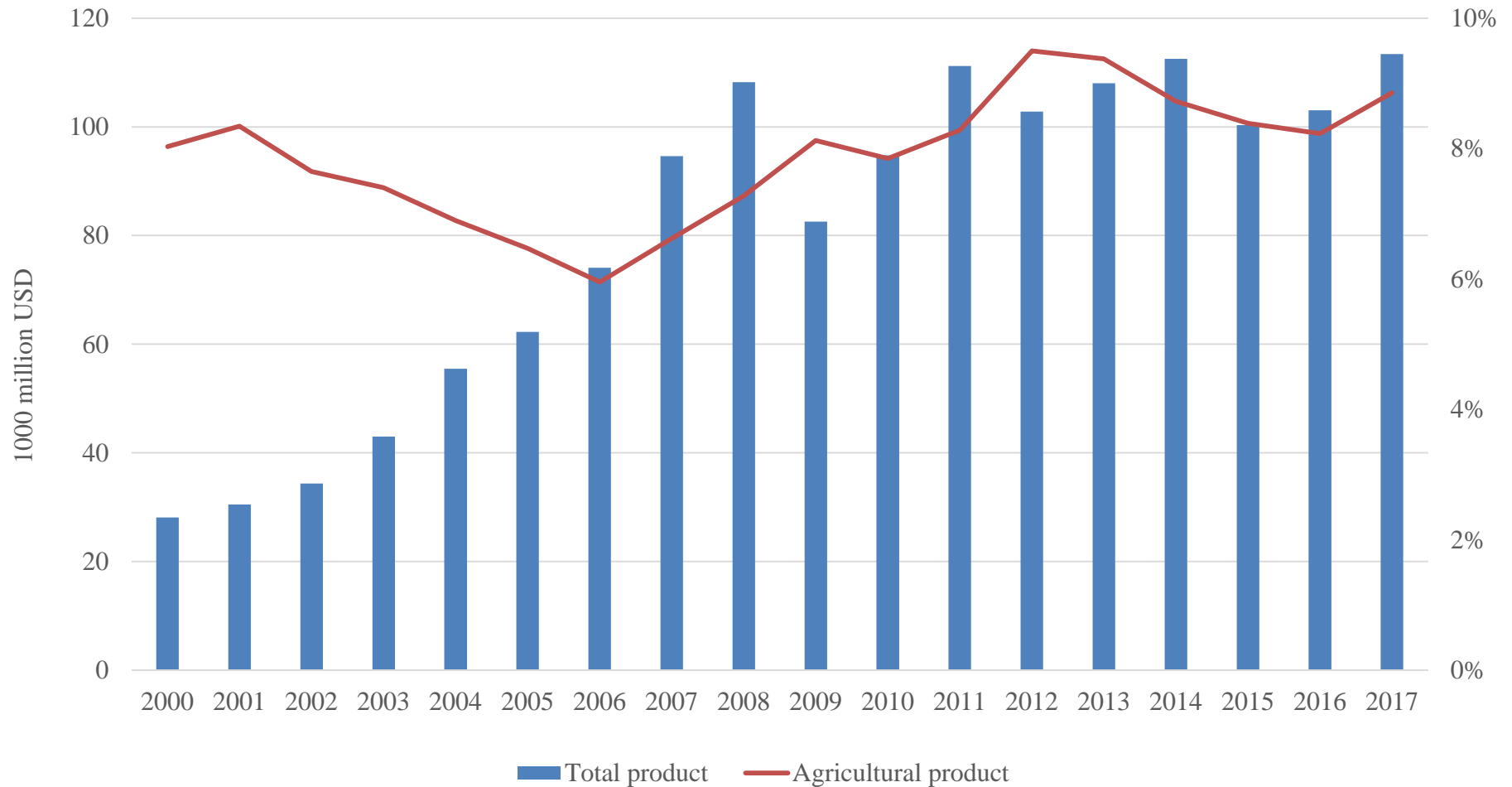
# Data and method

- World Bank's WITS database
  - HS 1988/92 on chapter level
    - 2-digit codes
    - Chapter 1-99 for total product
    - Chapter 1-24 for agricultural product
- Basic statistics
  - Trade volume and composition
  - Agricultural trade balance
  - TOP5 agricultural export products

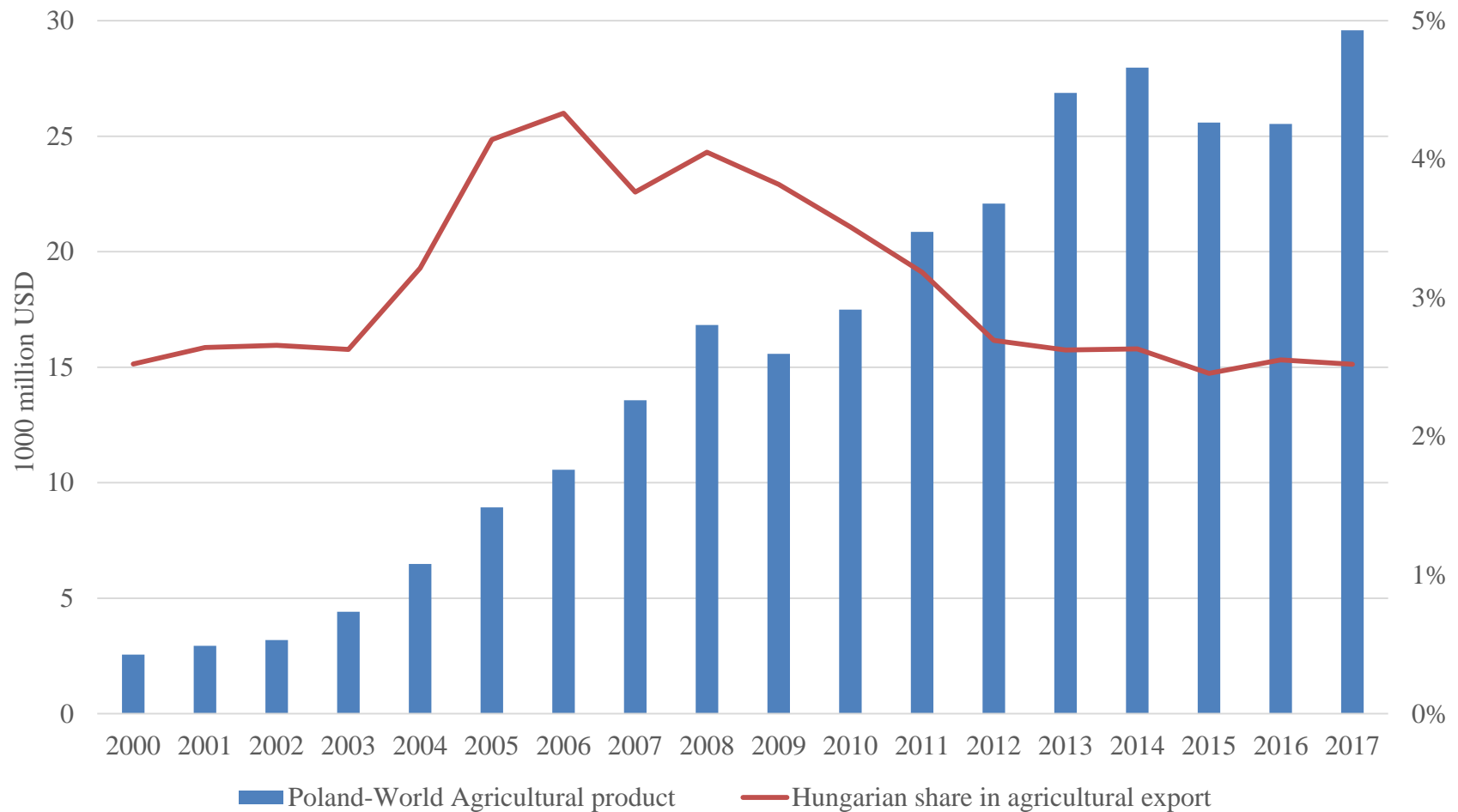
# Relevance of the Polish agricultural sector



# Relevance of the Hungarian agricultural sector

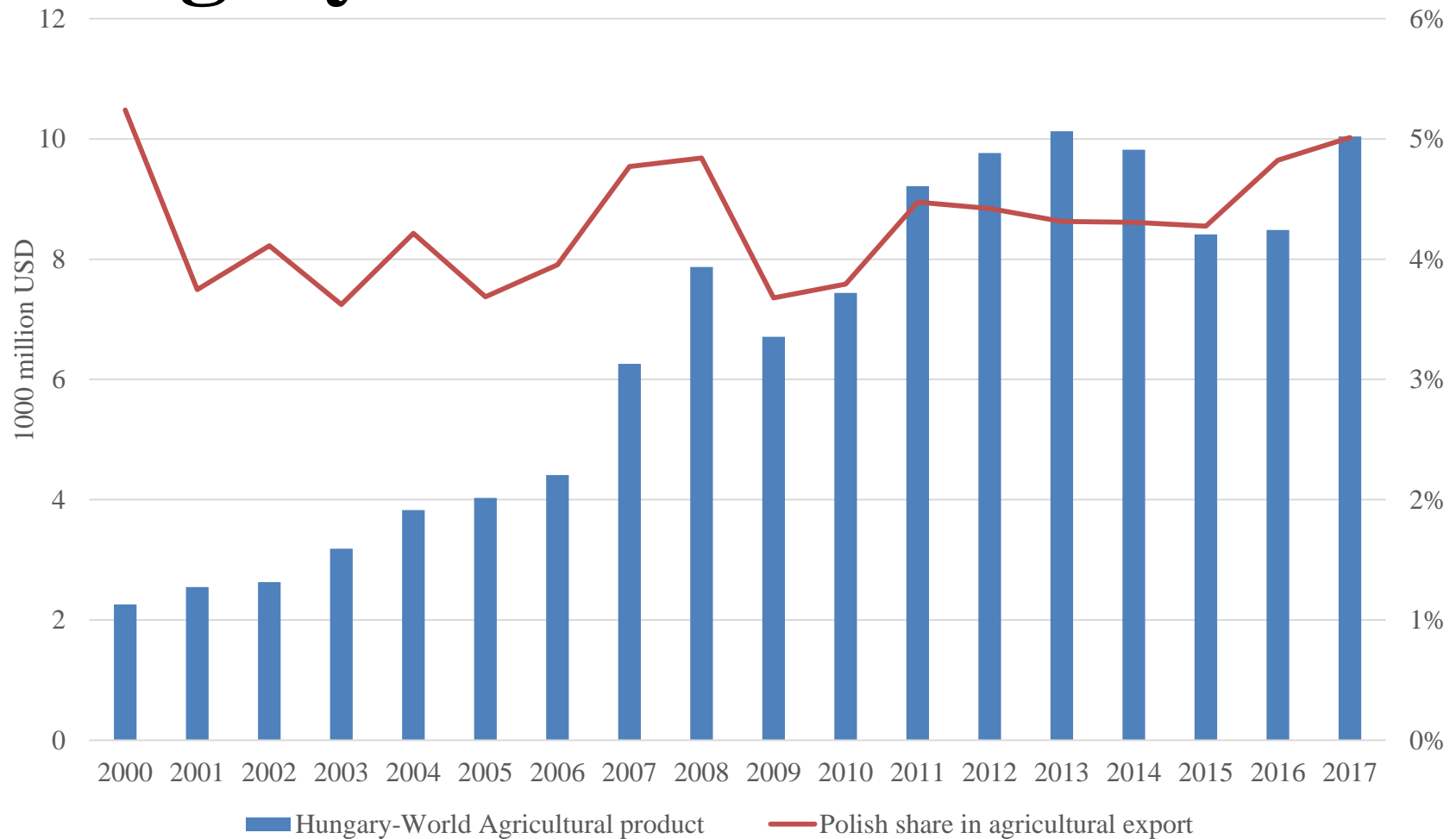


# Hungary, as a trading partner of Poland

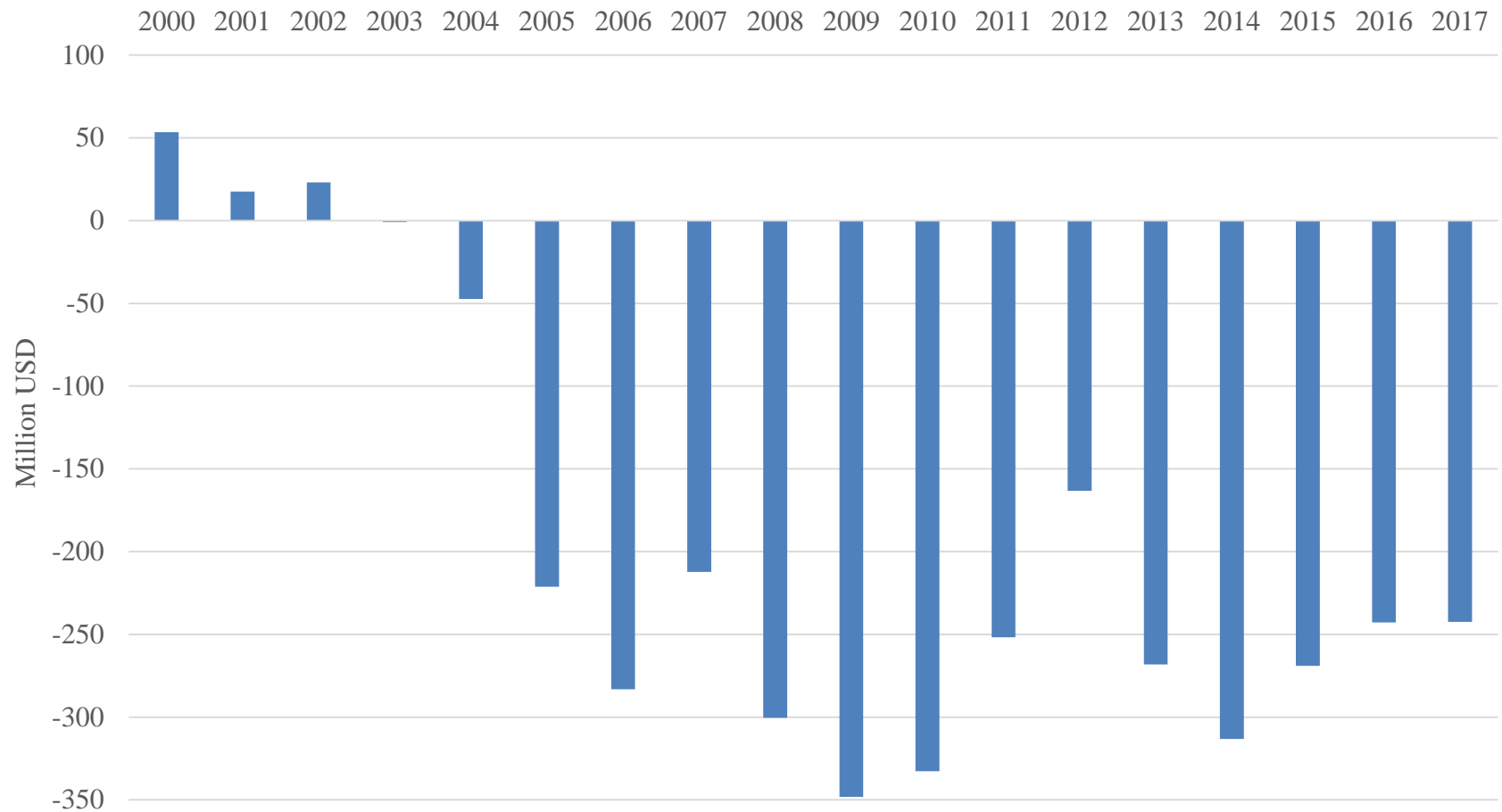




# Poland, as a trading partner of Hungary



# Hungarian-Polish agricultural trade balance



# TOP5 Polish agricultural export products, 2017

	Poland - World		Poland - Hungary	
	Chapter No.	Value (1000 USD)	Chapter No.	Value (1000 USD)
1.	2	5090324	24	111563
2.	24	3340493	2	100784
3.	4	2620022	4	76331
4.	19	2510100	19	68427
5.	21	1825035	21	67210

HS2 code	Name of the product group
2	Meat and edible meat offal
24	Tobacco and manufactured tobacco substitutes
4	Dairy produce, birds' eggs, natural honey, edible products of animal origin not elsewhere specified or included
19	Preparations of cereals, flour, starch or milk, pastrycooks' products
21	Miscellaneous edible preparations

Source: Own calculations based on WITS database

# TOP5 Hungarian agricultural export products, 2017

	Poland – World		Poland - Hungary	
	Chapter No.	Value (1000 USD)	Chapter No.	Value (1000 USD)
1.	10	1731039	23	58797
2.	2	1095750	22	52108
3.	23	949245	20	49132
4.	22	721499	10	46455
5.	12	714399	21	42541

HS2 code	Name of the product group
10	Cereals
2	Meat and edible meat offal
23	Residues and waste from food industries, prepared animal fodder
22	Beverages, spirits and vinegar
12	Oil seeds and oleaginous fruits, miscellaneous grains, seeds and fruit, industrial or medicinal plants, straw and fodder
20	Preparations of vegetables, fruit, nuts or other parts of plants
21	Miscellaneous edible preparations

# Future of agricultural trade

- Climate change
  - New resources
  - New commodities
  - New technologies
- Specialisation
  - Comparative advantages
  - Competitiveness

# Summary and conclusions

- EU accession has accelerated export
- Polish export growth is remarkable
- Hungary maintained its agricultural trade surplus, but Poland turned into a net exporter country – in Hungarian direction as well
- Complementary trade
- Poland used CAP resources more efficiently
- Efficiency and competitiveness becomes even more important with less financial resources!

**Thank you for your kind attention!**