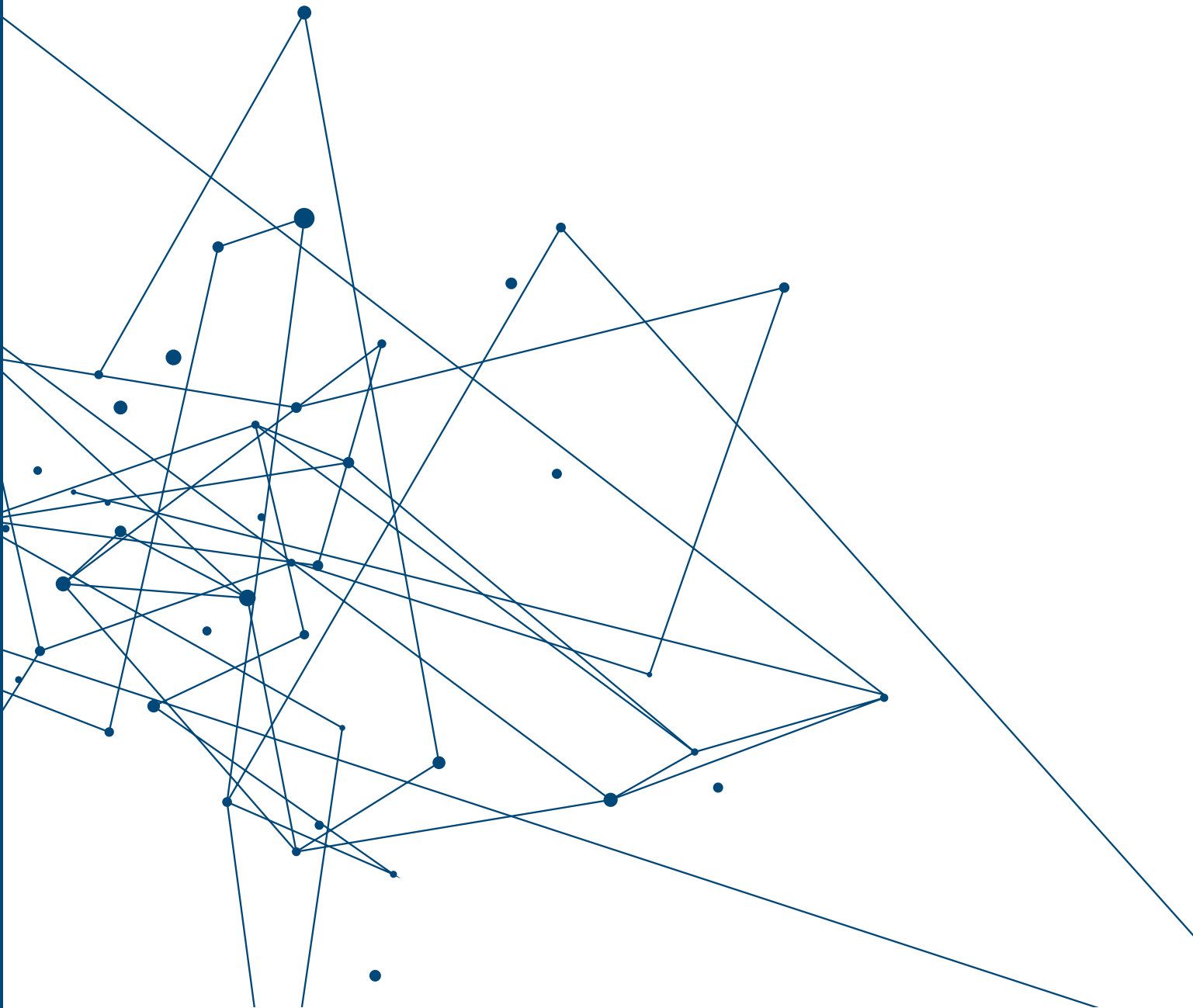


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# Hungary's Assessment of Türkiye's Policy in the South Caucasus

## Implications for the EU

Péter Pál Kránitz



Hungary is Türkiye's closest EU partner, sharing an Enhanced Strategic Partnership in energy, trade, defence, and more. Both align on key issues like migration, NATO expansion, and connectivity. Hungary supports Türkiye's role in the South Caucasus, cooperating with Armenia, Azerbaijan, and Georgia on stability and infrastructure. Their joint backing of Georgia's government reflects shared concerns over regional instability. Together, they promote energy and transport links connecting Europe to the Caspian region. Hungary's partnership with Türkiye highlights the EU's need for pragmatic engagement with Ankara, shifting from ideological to realistic, respectful diplomacy.

This paper is part of a series of CATS Network Papers that aim to assess Turkey's South Caucasus policy from the perspective of different actors.

*Péter Pál Kránitz is a Senior Research Fellow at the Hungarian Institute of International Affairs (HIIA). He received his PhD from the Péter Pázmány Catholic University with a doctoral thesis on the Armenian Question. He is the author of Hungarians in the Caucasus (2016) and editor of several volumes of essays on forced migration and intercultural relations.*

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1.

# Introduction

Hungary's Fidesz-KDNP<sup>1</sup> government, which has governed since 2010 thanks to four straight electoral victories, has adopted a foreign policy agenda unlike any other European Union member state. Framed by the concept of connectivity, Hungarian decisionmakers often characterize it as pragmatic, sovereigntist, and multivectoral.<sup>2</sup> This has enabled Hungary to establish diverse international cooperation networks with various actors, including securing strong political ties with Türkiye and the South Caucasus.

Today, Hungary is Türkiye's closest political partner in the European Union. The two countries maintain an Enhanced Strategic Partnership that covers close cooperation in energy, trade, defence, culture, and education. Hungary has observer state status at the Organization of Turkic States and aligns with Türkiye on key political issues from connectivity through migration to NATO enlargement. Hungary is also a top EU partner for Georgia and Azerbaijan and has built strong cooperation with Armenia.

Türkiye and Hungary share certain fundamental interests in the South Caucasus, in particular around stability and connectivity. They both support the Georgian Dream government in Georgia, understanding the risks a destabilized Georgia would present to the broader region. They both support transportation and energy connectivity projects throughout the South Caucasus and Türkiye, to connect Europe to the Middle Corridor and the rich fossil fuel reserves of the Caspian region. Although Turkish and Hungarian foreign policies overlap on the central questions of regional stability and development, they also diverge in places. Although both Türkiye and Hungary had long insisted on Azerbaijan's right to restore its territorial integrity, Hungary – unlike Türkiye – was careful to apply its signature discursive principle of fostering peaceful conflict resolution in its neighbourhood and the broader region with regards to the Karabakh conflict too. Unlike Türkiye, Hungary has made no official comment on the issue of the so-called Zangezur Corridor, as it strives to maintain a generally neutral position in the region and the possibility of playing the role of honest broker between

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<sup>1</sup> Christian Democratic People's Party of Hungary.

<sup>2</sup> There is no clear definition of what a multivector foreign policy means, but the concept has prevailed for decades as a popular concept especially in post-Soviet political discourses. It is often understood as “a policy of cooperation and co-habitation with all regional powers”, while others “view ‘multivector’ foreign policy as ‘shifting, incoherent, and ideologically vacuous’ behaviour”.

Elena Gnedina, “‘Multi-Vector’ Foreign Policies in Europe: Balancing, Bandwagoning or Bargaining?”, *Europe-Asia Studies* 67, no. 7 (2015): 1007-1029.

Baku and Yerevan. The Northern Cyprus question is another area of cautious foreign political manoeuvring, where Hungary avoids adopting a clear stance in order to avoid provoking its fellow EU members, the Republic of Cyprus and Greece.

Hungary's successful cooperation with Türkiye and other regional partners has significant implications for the EU. It demonstrates the need for the EU to seek political rapprochement with Türkiye, and to shift its ideological foreign political mindset to a more realist and pragmatic stance, through diplomatic dialogue based on mutual respect for the other's political culture. Hungary attempts to put the theory of strategic culture into practice when it takes into account the historical and cultural characteristics of its partners in its foreign relations, which is particularly important in the Turkic world.<sup>3</sup> If the EU's foreign and diplomatic services and western European member states continue to insist on imposing rule of law and democratic preconditions on cooperation frameworks with Eastern Partnership countries and Türkiye,<sup>4</sup> they risk some of their key partners in defence, energy, and supply chains distancing themselves even further from the bloc and deepening their cooperation with alternative multilateral organizations such as BRICS. Notably, in 2024 both Türkiye and Azerbaijan signalled their intention to join BRICS. A Turkish geopolitical realignment could have catastrophic consequences for both the EU and the South Caucasian neighbourhood.

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<sup>3</sup> Strategic culture refers to the idea that a state's approach to security and military strategy is shaped by its historical experiences, political culture, and national identity. The concept implies that strategic behaviour is not purely rational or universal, but is influenced by deeply rooted cultural factors. Jack L. Snyder, *The Soviet Strategic Culture: Implications for Limited Nuclear Operations*. RAND Report, R-2154-AF (Santa Monica: RAND Corporation, January 1977), <https://www.rand.org/content/dam/rand/pubs/reports/2005/R2154.pdf> (accessed 08 July 2025).

<sup>4</sup> One symbolic case of patronizing and provocative communication techniques towards Türkiye was the Dutch-Turkish diplomatic incident of 2017, when Turkish Foreign Minister Mevlüt Çavuşoğlu's plane was denied permission to land by the Dutch authorities. Turkish President Recep Tayyip Erdoğan and Dutch Prime Minister Mark Rutte (NATO Secretary-General since 2024) both subsequently made provocative statements that deepened the crisis. Esther King, "Dutch row worsens Europe's Turkey tensions", *Politico* (online), 11 March 2017, <https://www.politico.eu/article/europes-relations-with-turkey-go-from-bad-to-worse/> (accessed 19 May 2025).

2.

# The Hungarian Strategy of Connectivity and Turkic Cooperation

Hungary's foreign policy is sometimes viewed as stemming from the defensive realist school of thought, which is critical of the "values first" approach of the "rules-based international liberal order" and sceptical of the effectiveness of its multilateral institutions in an era of global power struggle between the United States, China, Russia, and other emerging powers in a post-unipolar world order.<sup>5</sup> The reality is somewhat more nuanced, however. Hungary's foreign policy should be understood more accurately as a combination of realism and idealism, inasmuch as it is informed by a set of strict conservative values and the principle of pragmatism.<sup>6</sup> In the realist tradition of Hans Morgenthau, pragmatism is the art of political judgment rooted in the realities of power and interest, rather than abstract ideals.<sup>7</sup> In its quest to sustain economic growth within a highly conflicted global economy, Hungary has built bridges between political and economic blocs through what it calls its strategy of connectivity.

In other words, Hungarian decisionmakers understand their approach to Türkiye and the South Caucasus as integral (and related) parts of their country's overall external affairs posture.

In principle, Hungary opposes the growing division between East and West and advocates for maintaining connectivity between the Euro-Atlantic and Eurasian regions and economies.<sup>8</sup> Budapest views the (re-)formation of power blocs and the

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<sup>5</sup> Attila Gyulai and Artúr Baranyai, "Political thinking in action: Realism as ideology in the discourses of Macron, Orbán, and Scholz about Ukraine", *Political Research Exchange* 6, no. 1 (2024): 1-25.

<sup>6</sup> Zsolt Németh, "A magyar külpolitika irányai a koronavírus utáni világban" [Directions of Hungarian foreign policy in a post-COVID world], *Külügyi Szemle* 20, special issue (2021): 129-154.

<sup>7</sup> Hans J. Morgenthau, *Politics Among Nations: The Struggle for Power and Peace* (New York: Alfred A. Knopf, 1948).

<sup>8</sup> The tradition of East-West divide has long historical roots in the European literature, and Samuel P. Huntington's warning essay on the "clash of civilizations" cemented the idea of political and economic separation of the global East, South and West. See, for example: G. John Ikenberry, "Three Worlds: The West, East and South and the competition to shape global order", *International Affairs* 100, no. 1 (2024): 121-138.

escalation of the New Cold War as threats to Hungary's own national interests, as well as to the EU's overall shared interests. If not reversed, that process will produce two unfavourable outcomes: first, a further deterioration of the long-established economic cooperation networks that are vital to Europe's security and prosperity; second, a re-erected Iron Curtain that Hungary and Hungarians shed blood to dismantle in the twentieth century.<sup>9</sup> Hungary openly condemns Russia's aggression in Ukraine. It supports its eastern neighbour's right to restore its territorial integrity. However, it does not believe that this outcome can be achieved through the present war without a level of escalation that would represent a direct threat to the Hungarian state.<sup>10</sup> Hungary has therefore also been among the most vocal advocates for peaceful settlement mechanisms,<sup>11</sup> viewing the massive loss of life on the frontlines and in the warzone to be tragic, and seeing the economic consequences of the war as catastrophic for the entire European Union. Those economic fears are amplified by the even larger risks facing countries on the frontiers of the geopolitical blocs – namely, the East-Central European states. Hungary believes the likelihood of post-conflict normalization can be improved by maintaining dialogue between conflicting sides.

Senior officials in Budapest refer to this pragmatic, multivectoral foreign policy posture as the Hungarian strategy of connectivity. Conceived by Prime Minister Viktor Orbán's Political Director Balázs Orbán (no relation), it offers “an alternative to both the neoliberal world order and the model of globalization based on international blocs”.<sup>12</sup> The model's strategic logic is to build resilience amidst the turbulent geopolitical landscape of competing superpowers and escalating conflicts. Budapest aims to replace unilateral dependencies with a multidirectional, diversified network of relationships, seeking to transform Hungary into a “keystone state” in the sense of

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<sup>9</sup> The New Cold War, or the Second Cold War, has emerged out of the US–China competition:

Seth Schindler et al., “The Second Cold War: US–China Competition for Centrality in Infrastructure, Digital, Production, and Finance Networks”, *Geopolitics* 29, no. 4 (2023): 1083–1120.

<sup>10</sup> Immediately after the Russian invasion of Ukraine, Hungarian Prime Minister Viktor Orbán condemned Russia's aggression: “Together with our European Union and NATO allies, we condemn Russia's military attack.” More recently the Hungarian Presidency of the Council of the European Union issued a harsh statement against Russia's ongoing aggression.

David R. Sands, “Putin's friends in Europe turn on him after invasion”, *The Washington Post* (online), 24 February 2022, <https://www.washingtontimes.com/news/2022/feb/24/putins-friends-europe-turn-him-after-invasion/> (accessed 15 January 2025);

Organization for Security and Co-operation (OSCE), *Statement by the Hungarian EU Presidency on the Russian Federation's ongoing aggression against Ukraine*, 14,99<sup>th</sup> Plenary Meeting of the Permanent Council (Vienna, 28 November 2024), <https://www.osce.org/node/582451> (accessed 08 July 2025).

<sup>11</sup> The Hungarian prime minister proposed to coordinate European peace efforts after having engaged with both Ukraine and Russia, as well as the U.S. and China:

Cabinet Office of the Prime Minister of Hungary, “Report of Prime Minister Viktor Orbán to Charles Michel, President of the European Council”, Budapest, 18 July 2024, <https://miniszterelnok.hu/en/report-of-prime-minister-viktor-orban-to-charles-michel-president-of-the-european-council/> (accessed 15 January 2025).

<sup>12</sup> Balázs Orbán, *Connectivity: A Hungarian globalisation strategy*, commentary (European Council on Foreign Relations [ECFR], 06 March 2023), <https://ecfr.eu/article/connectivity-a-hungarian-globalisation-strategy/> (accessed 17 January 2025).

becoming a hub for trade, investment, and economic relations.<sup>13</sup> It also seeks to benefit from Hungary's special status within the international system – as a bridge between power blocs and civilizations, on the frontiers of NATO and the EU – and from the concept of frenemy alliances between ideologically divergent states on the basis of shared interests in a geopolitically turbulent world.<sup>14</sup> Finally, it strives to maintain pragmatic relationships with states and non-state actors worldwide, with a strong emphasis on shared interests and mutual respect.

One of the most notable Hungarian flagship initiatives is its Global Opening policy (Eastern Opening and Southern Opening), which is designed to engage with the economies of Asia, Africa, and the Americas.<sup>15</sup> Since establishing Global Opening in 2010, Hungary has signed partnership agreements with ASEAN (Association of Southeast Asian Nations) and the Suez Canal Economic Zone, for example. It has also boosted bilateral relations with countries like South Korea, Japan, and India, becoming along the way the first EU member state to join China's Belt and Road Initiative in 2015. Global Opening has increased the flow of non-EU capital into Hungary. South Korea replaced Germany as the largest foreign investor in Hungary in 2019, and Asian economies have been the largest investors in Hungary ever since. South Korea was the top source of Foreign Direct Investments (FDI) in 2021 and 2022, whereas China took top place in 2020, 2023, and 2024.<sup>16</sup> In 2023, 44 percent of Chinese capital invested in the EU went to Hungary.<sup>17</sup>

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<sup>13</sup> Balázs Orbán, *Hussar Cut: The Hungarian Strategy for Connectivity* (Budapest: MCC Press, 2024).

The “keystone state” concept, as Orbán readily acknowledges, was introduced by Nikolas K. Gvosdev, “Keystone States: A New Category of Power”, *Horizons* 5 (Autumn 2015): 104–120, <https://www.cirsd.org/en/horizons/horizons-autumn-2015--issue-no5/keystone-states---a-new-category-of-power> (accessed 17 March 2025), and refined in Nikolas K. Gvosdev, “Geopolitical Keystone: Azerbaijan and the Global Position of the Silk Road Region”, *Baku Dialogues* 4, no. 1 (Fall 2020): 26–39, <https://bakudialogues.ada.edu.az/media/2020/08/27/bd-1-gvosdev.pdf> (accessed 17 March 2025). See also

Damjan Krnjević Mišković, “Superseding Middle Power Theory with the Keystone Concept: The Persuasive Case of Azerbaijan and the Silk Road Region”, *Caucasus Strategic Perspectives*, special issue, no. 1 (February 2024): 31–65, <https://cspjournal.az/archive/> (accessed 17 March 2025) and Carlos Roa, “Between East and West: The Prospect of Hungary as a Keystone State”, *Hungarian Conservative* (online), 04 December 2022, <https://www.hungarianconservative.com/articles/current/between-east-and-west-the-prospect-of-hungary-as-a-keystone-state/> (accessed 17 June 2025).

<sup>14</sup> For further detail on frenemies: Mark L. Haas, *Frenemies: When ideological enemies ally* (New York: Cornell University Press, 2022).

<sup>15</sup> István Taróssy and Péter Morenth, “Global Opening for Hungary: A New Beginning for Hungarian Africa Policy?”, *African Studies Quarterly* 14, no. 1–2 (2013): 77–96.

<sup>16</sup> “FDI Inflow To Hungary Hits New High”, *Hungarian Investment Promotion Agency* (online), 31 January 2023, <https://hipa.hu/news/fdi-inflow-to-hungary-hits-new-high/> (accessed 21 January 2025); “Previous All-Time High FDI Inflow Doubled in Hungary”, *Hungarian Investment Promotion Agency* (online), 15 January 2024, <https://hipa.hu/news/previous-all-time-high-fdi-inflow-doubled-in-hungary/> (accessed 21 January 2025).

<sup>17</sup> Agatha Kratz et al., *Dwindling investments become more concentrated – Chinese FDI in Europe: 2023 Update* (Berlin: Mercator Institute for China Studies [MERICS], 06 June 2024), <https://merics.org/en/report/dwindling-investments-become-more-concentrated-chinese-fdi-europe-2023-update> (accessed 21 January 2025).

Another flagship foreign policy initiative is Budapest's close cooperation with the Turkic world, which in the Hungarian conception stretches from Turkish Thrace bordering Bulgaria to Kazakhstan's frontier with China. The primary institutional mechanism here is the Organization of Turkic States (OTS), of which Hungary has been an observer state (the only one in the European Union) since 2018.

Budapest's role as one of the OTS's most active partners was recognized in 2024 when Viktor Orbán received the organization's highest award, the Supreme Order of the Turkic World, for his contribution to "strengthening the unity of Turkic people".<sup>18</sup> That year, Hungary joined the Turkic Investment Fund (TIF), pledging US\$100 million to the initial capital of US\$500 million.<sup>19</sup> Through TIF, Hungary aims to prioritize cooperation in sectors such as food production, agriculture, and infrastructure development. The fund is set to finance major joint development projects across the OTS world, marking a milestone in collaborative investment among Turkic states.<sup>20</sup>

Hungary's cooperation with Turkic states is rooted in its conception of the national interest and also on ideological grounds. The latter aspect may be identified in Turanism, a cultural, linguistic, and historiographical paradigm stemming from research into the early history of the Hungarian nation in the late eighteenth and early nineteenth century. Hungarian Turanism is generally viewed as a cultural, economic, and political community engagement of Hungarians with Turanic (Ural–Altaic) people,<sup>21</sup> or – historically – even a Hungarian imperialism aimed at gaining political influence among Turkic peoples in Eurasia.<sup>22</sup> Turanism later evolved into a political ideology before becoming a key component of Hungarian national identity, particularly during the Dual Monarchy and Interbellum periods. Freed of the suppressive hand of the communist period, Turanism reemerged in public discourse

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<sup>18</sup> Cabinet Office of the Prime Minister of Hungary, "Prime Minister Viktor Orbán received 'Supreme Order of Turkic World'", Press release (Budapest, 06 November 2024), <https://miniszterelnok.hu/en/prime-minister-viktor-orban-received-supreme-order-of-turkic-world/> (accessed 22 January 2025).

<sup>19</sup> "Speech by Viktor Orbán at a meeting of heads of state and government of the Organization of Turkic States", *About Hungary* (online), 06 November 2024, <https://abouthungary.hu/speeches-and-remarks/speech-by-viktor-orban-at-a-meeting-of-heads-of-state-and-government-of-the-organization-of-turkic-states> (accessed 09 April 2025).

<sup>20</sup> Organization of Turkic States (OTS), *Hungary Joins the Turkic Investment Fund* (Istanbul, 28 June 2024), <https://www.turkicstates.org/en/news/hungary-joins-the-turkic-investment-fund> (accessed 22 January 2025);

László Vasa, Péter Pál Kránitz, Sándor Seremet and Ibrahim Mammadov, *Connectivity in the Turkic way – a new cooperation format in the multipolar world?*, MKI Perspective (Budapest: Hungarian Institute of International Affairs [HIIA], 06 November 2024), <https://hiia.hu/en/connectivity-in-the-turkic-way-a-new-cooperation-format-in-the-multipolar-world/> (accessed 22 January 2025).

<sup>21</sup> Ildikó Farkas, "A magyar és a török-tatár népek turanizmusa" [Turanism of Hungarian and Turkish-Tatar peoples], *Világtörténet* 28, autumn-winter (2006): 52–63.

<sup>22</sup> Balázs Abloncy, *Go East! A History of Hungarian Turanism* (Bloomington: Indiana University Press, 2022).

after 1989 and was ultimately integrated into the concept of national identity championed by Fidesz-KDNP and its ideological fellow-travellers.<sup>23</sup>

As for furthering Hungary's national interests in pursuing Turkic cooperation, one may identify economic, political, and security facets. In each of these, Hungarian interests coincide with those of the states that make up the Turkic world, starting with Türkiye.

For instance, Hungary's observer status in the OTS is considered a reliable and sustainable framework for addressing some of the key economic challenges Hungary faces, including skilled labour shortages and security of energy resources, and is regarded as complementary to existing EU and international mechanisms.<sup>24</sup> The population of the Turkic states (excluding Hungary) is around 170 million, growing dynamically, and expected to reach 200 million by 2050.<sup>25</sup> Budapest therefore sees the OTS space as a significant source of labour and a significant market to further increase Hungary's trade surplus. Hungary has invested considerable resources in the energy sector of the Caspian region. The production and transportation of Caspian fossil fuels will require infrastructure projects involving Turkic states like Kazakhstan, Azerbaijan, and Türkiye.

Beyond the partnership's economic potential, political cooperation with Turkic states may offer significant benefits for Hungary's security by widening its room for political manoeuvre in the turbulent geopolitical environment caused by the Russo-Ukrainian war. There is a general understanding among scholars of international affairs and the Silk Road region (i.e., the South Caucasus and Central Asian states) that

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<sup>23</sup> Hungarian and Turkish Turanism have historically shared several overlapping elements, such as the aim of researching Turkic languages and cultures, facilitating educational and scientific cooperation between Turkic peoples, and eventually uniting the Turkic world economically and politically, however, while the former proposed Hungary's leading role, the later suggested Türkiye's dominance. Turanism gained significant political relevance in the Ottoman Empire after the Balkan Wars, outweighing Ottomanism and Pan-Islamism in Ottoman political discourses. For Hungary, a European and Christian state, political unification of Turkic peoples, or a so-called Turanist imperialism, has never been a realist foreign policy agenda – the only moment in history was the First World War, in 1918 in particular, when Austria-Hungary, an ally of the Ottoman Empire, could extend its authority to further territories with Turkic-speaking inhabitants in the northern Black Sea region. The rise of the Soviet Union put a halt to Turkic cooperation, however. After the Turkic states (re)gained independence in 1991 from the Soviet Union, a new chapter in Turkic cooperation was opened, giving momentum to pan-Turkic economic and political cooperation and to Turanist identity-politics.

Ildikó Farkas, 2006;

Péter Pál Kránitz: *A türk együttműködés hagyománya a magyar külpolitikában Tisza Istvántól Orbán Viktorig [The tradition of Turkic cooperation in Hungarian foreign affairs from István Tisza to Viktor Orbán]*, MKI Nézőpont (Budapest: Hungarian Institute of International Affairs [HIIA], 20 May 2025), [https://hiia.hu/wp-content/uploads/2025/05/0520\\_A-turk-egyuttmukodes-hagyomanya.pdf](https://hiia.hu/wp-content/uploads/2025/05/0520_A-turk-egyuttmukodes-hagyomanya.pdf) (accessed 24 June 2025).

<sup>24</sup> Eldaniz Gusseinov, "Magyarország és a türk államok közötti együttműködés politikai és gazdasági lehetőségei: a jelenlegi tendenciák vizsgálata" [Political and Economic Opportunities for Cooperation Between Hungary and Turkic States: An Analysis of Current Trends], *Külügyi Műhely* 5, no. 1-2 (2023): 467-496.

<sup>25</sup> United Nations (UN), *UN Population Division's Data Portal. Interactive access to global demographic indicators* (n.d.), <https://population.un.org/dataportal/> (accessed 22 January 2024).

the US withdrawal from Afghanistan and Russia's preoccupation with Ukraine have left a void in regional great power competition. This has led the region's states to launch a process of resetting and diversifying their foreign relations,<sup>26</sup> which in turn suggests that the OTS might emerge as a network for military coordination and limited defence cooperation among its member states.<sup>27</sup> This process has been accelerated by the failure of the Collective Security Treaty Organization (CSTO) to resolve conflicts in the post-Soviet space and deepened by the success of Türkiye's military support for Azerbaijan's successful campaigns (in autumn 2020 and September 2023) to restore its territorial integrity. Uzbekistan, for example, which is not a member of any military alliance, initiated military coordination with Türkiye in the fields of combat training, military education, and the defence industry.<sup>28</sup> This could also become a strategic field of cooperation between Hungary and the Turkic states, as Türkiye and Hungary are both members of NATO (see below).

Cooperation with Turkic states is not limited to minilateral endeavours, however. Hungary has also established bilateral cooperation mechanisms with most of the Turkic states, including Kazakhstan, Kyrgyzstan, and Uzbekistan (not discussed in detail here).<sup>29</sup>

Hungary's strategic partnership with Azerbaijan, which was established in 2014 and enhanced in 2023, has improved bilateral cooperation in transportation, education,

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<sup>26</sup> Charles E. Ziegler, "Filling the Void Left by Great-Power Retrenchment: Russia, Central Asia, and the U.S. Withdrawal from Afghanistan", *Texas National Security Review* 7, no. 4 (2024): 51-72.

<sup>27</sup> Richard Outzen, "Security and Military Cooperation Among the Turkic States in the 2020s", *The Central Asia-Caucasus Analyst* (online), 08 December 2023, <https://www.cacianalyst.org/publications/feature-articles/item/13781-security-and-military-cooperation-among-the-turkic-states-in-the-2020s.html> (accessed 23 January 2025).

<sup>28</sup> Murodjon Mustofaev, "The Organization of Turkic States: A New Approach to Global and Regional Challenges", *Perceptions* 26, no. 1 (2022): 101-120.

<sup>29</sup> Hungary's enhanced strategic partnership with Kazakhstan, established in 2015, includes a US\$40 million private equity fund, over 200 Hungarian exporters, and energy cooperation covering 16 percent of Hungary's crude oil imports as of 2022 (the latter is expected to grow under a 2024 agreement between Hungary's MOL Group and its Kazakh partner). Cultural and educational ties are strong, with 250 Kazakh students studying in Hungary annually. Hungary has also signed strategic agreements with Uzbekistan (2021) and Kyrgyzstan (2022), leading to major investments like OTP Bank's 2023 entry into Uzbekistan and a US\$50 million development fund with Kyrgyzstan, which sends 200 students to Hungary each year. See:

"Венгрия увеличила объемы покупки нефти из Казахстана" [Hungary increased the volume of oil purchases from Kazakhstan], *Казинформ* (online), 03 May 2022,

[https://www.inform.kz/ru/vengriya-uvlichila-ob-emy-pokupki-nefti-iz-kazahstana\\_a3929212](https://www.inform.kz/ru/vengriya-uvlichila-ob-emy-pokupki-nefti-iz-kazahstana_a3929212) (accessed 23 January 2025);

Cabinet Office of the Prime Minister of Hungary, *A magyar-üzbec együttműködés sok hasznot hozott és hoz a hazai gazdaságnak* [Hungarian-Uzbek cooperation continues to offer many benefits for the Hungarian economy] (Budapest, 07 May 2024), <https://kormany.hu/hirek/a-magyar-uzbeg-egyuttmukodes-sok-hasznot-hozott-es-hoz-a-hazai-gazdasagnak> (accessed 23 January 2025);

"Kyrgyzstan, Hungary Agree on Additional Capitalization of Joint Fund", *Caspian Post* (online), 17 January 2025, <https://caspiantpost.com/kyrgyzstan/kyrgyzstan-hungary-agree-on-additional-capitalization-of-joint-fund> (accessed 23 January 2025).

research and development, migration, and food safety.<sup>30</sup> Hungarian companies are among the most significant foreign stakeholders in the Azerbaijani energy sector. Although natural gas from Azerbaijan represented a mere 1 percent of Hungarian imports in 2023, the two sides intend to increase the volume tenfold to 1 billion cubic meters (bcm)/year.<sup>31</sup> That target has been brought closer by the Hungarian MVM Group's acquisition of a 5 percent stake in the Shah Deniz gas field in Azerbaijan, which would allow Hungary to import 1.45 billion cubic metres of natural gas per year – or one fifth of its total imports.<sup>32</sup> This would make Azerbaijan Hungary's second-largest natural gas supplier after Russia, and could significantly decrease Hungary's energy dependence on the latter, aligning with EU policies on Russian energy imports. Hungarian companies like Wizz Air and pharmaceutical manufacturer Gedeon Richter are market leaders in Azerbaijan, and Hungarian FDI is growing significantly, for example through HELL Energy Group's US\$211 million development of a manufacturing facility in the Alat Free Economic Zone. Scientific and educational cooperation has been expanded, with two hundred Azerbaijani students annually receiving grants to study in Hungary.<sup>33</sup>

Relations between Azerbaijan and the EU have deteriorated.<sup>34</sup> The reasons include the EU's failure to maintain its role as a facilitator in the Armenia–Azerbaijan peace process, its inability and seeming unwillingness to fulfil the terms of the July 2022 EU–Azerbaijan Memorandum of Understanding on a Strategic Partnership in the Field of Energy (which foresees doubling the amount of Azerbaijani gas entering the EU's energy market), and its hesitation over fast-tracking support for the Black Sea green electricity cable megaproject involving Azerbaijan, Georgia, Romania, and Hungary. During the same period, Budapest and Baku established a close political partnership, which ought to be seen as a model for the EU's neighbourhood policies.

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<sup>30</sup> President of the Republic of Azerbaijan, “Azerbaijan, Hungary signed documents”, Press release (Baku, 30 January 2023), <https://president.az/en/articles/view/58755> (accessed 05 February 2025).

<sup>31</sup> Cabinet Office of the Prime Minister of Hungary, *Két stratégiai területen is komoly előrelépés előtt áll a magyar–azeri együttműködés [Hungarian–Azerbaijani cooperation is set to develop in two strategic sectors]* (Budapest, 12 February 2023), <https://kormany.hu/hirek/ket-strategiai-teruleten-is-komoly-elorelepes-elott-all-a-magyar-azeri-egyuttmukodes> (accessed 23 January 2025).

<sup>32</sup> MVM Group, “Transaction completed: MVM Group has acquired a stake in one of the world's largest offshore natural gas fields” (Budapest, 30 August 2024), [https://mvm.hu/en/Media/MediaTartalmak/Hirek/20240830\\_Azerbajdzsan](https://mvm.hu/en/Media/MediaTartalmak/Hirek/20240830_Azerbajdzsan) (accessed 22 January 2025).

<sup>33</sup> Péter Pál Kránitz, *The 3+2 Seas Initiative – Interconnecting Regional Cooperation Networks along the Middle Corridor and the Three Seas Initiative*, MKI Policy Brief, KE-2024/16 (Budapest: Hungarian Institute of International Affairs [HIIA], 16 October 2024), <https://hiia.hu/en/the-32-seas-initiative-interconnecting-regional-cooperation-networks-along-the-middle-corridor-and-the-three-seas-initiative/> (accessed 05 February 2025).

<sup>34</sup> Shujaat Ahmedzadeh, *Только бизнес: Куда приведут противоречия между Азербайджаном и ЕС [Only business: Where will Azerbaijani–EU confrontations lead?]* (Berlin: Carnegie Endowment for International Peace, Russia Eurasia Center, 11 April 2024), <https://carnegieendowment.org/russia-eurasia/politika/2024/04/can-energy-ties-prevent-an-azerbaijan-eu-rift?lang=ru> (accessed 23 January 2025).

The Hungarian prime minister was the only leader of an EU member state to congratulate Azerbaijan on restoring its territorial integrity in 2023. Along with fellow EU member states Italy and Slovakia, Hungary is involved in reconstruction and demining efforts in the war-torn region of Karabakh.<sup>35</sup> Such measures have cemented a relationship of trust between the two countries' governments, which is fundamental for Hungary's engagement in local development projects. However, the engagement was controversial within Hungary, which is home to a large, historic Armenian community. Indeed, the Hungarian government has consistently positioned itself as a champion of persecuted Christian communities in the Muslim world, through its flagship "Hungary Helps" programme.<sup>36</sup>

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<sup>35</sup> KÉSZ Group, "Soltanli cornerstone laid – Another international opportunity for KÉSZ Group" (Budapest, 28 November 2023), <https://www.keszgroup.com/en/news/soltanli-cornerstone-laid-another-international-opportunity-kesz-group> (accessed 23 January 2024).

<sup>36</sup> Cabinet Office of the Prime Minister of Hungary, "State Secretariat for the Aid of Persecuted Christians and for the Hungary Helps Program", Press release (Budapest, 2016), <http://bit.ly/3iflist> (accessed 19 May 2025).

3.

# Layers of Hungarian – Turkish Relations

Türkiye is the largest Turkic state in terms of economic output, military strength, and population. It occupies a location of paramount geostrategic significance and is geographically Hungary's nearest Turkic state. Hungary and Türkiye are the only Turkic states that are members of NATO. And both – one of which is a member state and the other a candidate country of the EU – also maintain close dialogue within EU policy mechanisms, including initiatives for visa liberalization and modernization of the EU-Turkish customs union. Budapest prioritized deepening the EU-Turkish political dialogue during its 2024 Presidency of the Council of the European Union.<sup>37</sup> Lastly, Hungary views Türkiye as a key ally in tackling threats to Europe's security, from migration to security of energy sources and supply chains.

Hungary's political, economic, and diplomatic/cultural ties to Türkiye are among the most dynamic of all EU member states. For instance, 2024 was the Hungarian-Turkish Cultural Year, with various events marking a century of diplomatic relations. Turkish President Recep Tayyip Erdoğan and Hungarian Prime Minister Orbán met in person four times in 2024 (in Antalya, Bishkek, Budapest, and Ankara). 2023 also marked the centenary of the 1923 Turkish-Hungarian Treaty of Friendship (augmented by the 2015 Turkish-Hungarian Friendship Agreement – a rare instance of century-long continuity in diplomacy). A comprehensive strategic partnership agreement was signed in 2023, establishing a High-Level Strategic Cooperation Council chaired by the respective heads of state or government. That same year, seven additional intergovernmental agreements were reached in areas such as defence industry research and development, nuclear energy cooperation, and education. A number of companies signed memoranda of understanding on cooperation, including

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<sup>37</sup> Hungarian Presidency of the Council of the European Union, *The Hungarian presidency programme* (Budapest, 2024a), <https://wayback.archive-it.org/12090/20250412082230/https://hungarian-presidency.consilium.europa.eu/en/programme/programme/> (accessed 07 July 2025); László Szerencsés, *EU-Turkey relations in light of Hungary's EU Presidency*, IPC-Mercator Analysis (Istanbul: Istanbul Policy Center [IPC], July 2024), <https://ipc.sabanciuniv.edu/Content/Images/CKeditorImages/20240805-14085414.pdf> (accessed 05 February 2025).

the Turkish conglomerate Nurol Holding with Hungarian defence industry company N7, and Türkiye's Petroleum Pipeline Corporation with Hungary's MVM Group.<sup>38</sup>

Hungarian-Turkish energy cooperation is central to Hungary's energy policy and has important implications for the EU in a world where escalating conflicts have weaponized energy. The regional energy transport infrastructure connecting Europe with its neighbourhood has been under attack. The Nord Stream pipelines were destroyed in 2022, Ukraine has suspended the transit of Russian gas through its territory to the EU (violating the EU-Ukraine Association Agreement), and the TurkStream pipeline has been targeted by drone attacks.<sup>39</sup> Coupled with EU sanctions on Russian energy, this has exacerbated the European energy crisis, with prices reaching record highs in 2022. This led to a dramatic decrease in demand, partly due to a 17.8 percent decline in industrial consumption in the EU between 2021 and 2023 that was attributed to plant closures and relocation. Energy prices therefore declined again, but never reached pre-crisis levels. European energy markets remained volatile, unpredictable, and detached from market fundamentals in 2024.<sup>40</sup> Hungary therefore considers stable and reliable partners, such as Türkiye, vital for securing its energy supplies. More than 7 bcm of natural gas imports – some 82 percent of its imports – reached Hungary via Türkiye in 2024, while Hungary became the first non-neighbouring country to import Turkish natural gas. Under the strategic partnership between Hungary's MOL Group and Turkish Petroleum Corporation (TPAO), MOL will be involved in developing new Turkish oil fields, while the Turkish side may enter the Hungarian market.<sup>41</sup>

As mentioned above, Budapest regards military and defence industry cooperation with Türkiye as a long-term strategic investment to strengthen the country's North-Atlantic cooperation and to diversify and modernize its military capabilities. Türkiye and Hungary cooperate closely within NATO's KFOR (Kosovo Force) mission in Kosovo (with both ranking among the top troop-contributing countries).<sup>42</sup> Hungary and Türkiye were aligned on the question of NATO enlargement in 2022 and, unlike

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<sup>38</sup> Kaan Bozdogan, "Türkiye, Hungary sign slew of pacts during visit by Turkish President Erdogan", *Anadolu Ajansı (AA)* (online), 18 December 2023, <https://www.aa.com.tr/en/europe/turkiye-hungary-sign-slew-of-pacts-during-visit-by-turkish-president-erdogan/3086298#> (accessed 28 January 2025).

<sup>39</sup> Stuart Elliot, "Gas market on alert after Russia claims Ukrainian attack on TurkStream station", *S&P Global* (online), 13 January 2025, <http://bit.ly/4OGFvNX> (accessed 29 January 2025).

<sup>40</sup> Kathryn Porter, "What's next for European gas prices?", *Watt-Logic* (online), 23 September 2024, <https://watt-logic.com/2024/09/25/european-gas-prices/> (accessed 29 January 2025).

<sup>41</sup> "FM Szijjártó: Cooperation between Hungary and Turkey is better than ever", *About Hungary* (online), 13 December 2024, <https://abouthungary.hu/news-in-brief/fm-szijjarto-cooperation-between-hungary-and-turkey-is-better-than-ever> (accessed 29 January 2025).

<sup>42</sup> For more information, NATO Kosovo Forces (KFOR), *Contributing Nations* (Pristina, May 2025), <https://jfcnaples.nato.int/kfor/about-us/welcome-to-kfor/contributing-nations> (accessed 29 January 2025).

other member states, proposed preconditions for Sweden to join.<sup>43</sup> Türkiye and Hungary have invested in defence industry joint ventures, such as the establishment of Gidrán Armored Vehicles (producing tactical vehicles), while negotiations are under way for Hungary to purchase Turkish military drones.<sup>44</sup>

Hungary also established military cooperation with Azerbaijan, on the basis of their enhanced partnership agreement of 2023. Although it is currently limited to joint military training and education, military-technical cooperation, and exchange of experience, Hungarian Defence Minister Kristóf Szalay-Bobrovniczy announced plans to send a military attaché to Baku and the two sides are in discussion on defence industry cooperation.<sup>45</sup> Uzbekistan and Hungary laid the foundations for joint military education and training in April 2025, while the Hungarian embassy in Tashkent remained a NATO liaison embassy.<sup>46</sup> Such initiatives establish the basis for comprehensive cooperation between Hungary and its Turkic partners in addressing jointly perceived threats such as human trafficking, hybrid warfare, and terrorism. Hungarian-Turkish defence industry and military cooperation may prove significant for Hungary's defence, as the two countries are closely aligned NATO allies and maintain joint projects in capacity building and industrial production.

Hungary argues that Türkiye is indispensable to Europe's security and overall economic stability, and believes that it is a strategic mistake for the EU to exacerbate bilateral tensions. Türkiye is NATO's second-largest military force, anchoring the Alliance's strength in the Eastern European neighbourhood and the Black Sea region. It controls key transport routes and infrastructure chokepoints that are vital for Europe's secure supply chains. As an energy hub, it is increasingly significant for Europe's energy security. Moreover, Türkiye is the EU's strategic partner in handling the migration crisis. There are 3.4 million registered asylum seekers and an unknown number of irregular immigrants in Türkiye, with authorities intercepting illegal border crossings towards the EU by sea and land on a daily basis.<sup>47</sup> Hungary has

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<sup>43</sup> Ragip Soylu, "Is Hungary holding up Sweden's Nato bid in coordination with Turkey?", *Middle East Eye* (online), 30 March 2024, <https://www.middleeasteye.net/news/nato-sweden-hungary-turkey-holding-up-coordination> (accessed 29 January 2025).

<sup>44</sup> Burhanettin Duran, "Erdoğan's visit to Budapest for 'enhanced strategic partnership'", *Daily Sabah* (online), 21 December 2023, <https://www.dailysabah.com/opinion/columns/erdogans-visit-to-budapest-for-enhanced-strategic-partnership> (accessed 24 January 2025).

<sup>45</sup> Cabinet Office of the Prime Minister of Hungary, *Azerbajdzsán megbecsült partnerünk védelmi és katonai, valamint a védelmi ipari területen [Azerbaijan is our valued partner in the fields of defense and military, as well as in the defense industry]* (Budapest, 01 July 2024), <https://kormany.hu/hirek/azerbajdzsan-megbecsult-partnerunk-vedelmi-es-katonai-valamint-a-vedelmi-ipari-teruleten> (accessed 19 May 2025).

<sup>46</sup> "Szalay-Bobrovniczy Kristóf Üzbegisztán védelmi miniszterével írt alá dokumentumot az együttműködésről" [Kristóf Szalay-Bobrovniczy signed a document on cooperation with the Defence Minister of Uzbekistan], *The National News Agency (MTI)* (online), 14 April 2025, <https://mti.hu/hirek/2025/04/14/szalay-bobrovniczy-kristof-uzbegisztan-vedelmi-miniszterevel-irt-ala-dokumentumot> (accessed 19 May 2025).

<sup>47</sup> International Organization for Migration (IOM), *MPM Türkiye – Migrants' Presence Monitoring – Situation Report* (Le Grand-Saconnex, February 2024), <https://dtm.iom.int/es/node/35336?close=true> (accessed 07 July 2025).

therefore been one of the most consistent and vocal advocates of reconciliation and deeper EU-Türkiye relations. This was articulated in the programme of the 2024 Hungarian Presidency of the Council of the European Union:

The goal is to keep the recommendations from the Joint Communication of the High Representative and the European Commission on the current EU-Türkiye political, economic, and trade relations on the agenda, and to advance these discussions, supporting Türkiye's rapprochement to the EU.<sup>48</sup>

Although rapprochement was not clearly defined, the Hungarian government supports Türkiye's European aspirations from policy cooperation to a more comprehensive partnership in all fields from security, finance, and trade in goods and energy, to cultural, scientific, and people-to-people cooperation.

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<sup>48</sup> Hungarian Presidency of the Council of the European Union, 2024a.

4.

# Hungary's Stance on Turkish Policies in the South Caucasus

The Hungarian government is in alignment with most of Türkiye's policies in the South Caucasus, inasmuch as they strive to advance interregional connectivity in the fields of energy and transportation, to foster sustainable peace in the region (including normalization of economic and diplomatic ties between Türkiye and Armenia and the importance of signing a peace treaty between Armenia and Azerbaijan), to strengthen economic, political, and cultural cooperation among Turkic states, and to secure NATO's positions along its southern flank along Türkiye's borders.

Türkiye's central foreign policy agenda in the South Caucasus is to foster connectivity projects in energy and transport. The flow of Caspian fossil fuels (and potentially electricity generated by renewable energy sources) through Türkiye (or Turkish waters) is central to Ankara's long-standing ambition to establish Türkiye as an interregional energy hub. It was starkly highlighted by Russia's invasion of Ukraine, when energy-hungry Europe was forced to find alternatives to cheap Russian energy overnight. Besides overseas LNG suppliers, Caspian fossil fuels – originating primarily in Azerbaijan and transported through Türkiye – filled the market gap. The development and expansion of cross-border energy infrastructure projects, such as the Baku-Tbilisi-Ceyhan oil pipeline and the Southern Gas Corridor (whose central section is the Trans Anatolian Natural Gas Pipeline, TANAP) are mutually beneficial connectivity projects for the EU, Türkiye and the South Caucasus. They strengthen Europe's energy security and provide high-priced markets for energy producers in the Caspian region.<sup>49</sup>

Deepening Türkiye's role in transport connectivity between Europe, Türkiye, and the South Caucasus is another flagship element of Ankara's foreign policy that meshes with Budapest's own posture. Türkiye strives to become an interregional hub, offering land, sea, and air connections. The Baku-Tbilisi-Kars railway is the backbone of

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<sup>49</sup> Aliaksandr Novikau and Jahja Muhasilović, "Turkey's quest to become a regional energy hub: Challenges and opportunities", *Heliyon* 9, no. 11 (2023): 1-11.

regional transport and a central element of the Middle Corridor, As such, it is highly significant for European economies in an environment of global supply chain disruption – in the Red Sea and the Northern Corridor in particular.<sup>50</sup> Türkiye took a lead in developing East-West connectivity along the Middle Corridor and in 2022 adopted a roadmap for infrastructure development projects with Georgia, Azerbaijan, and Kazakhstan.<sup>51</sup> The Eastern Türkiye Middle Corridor Railway Development Project aims to develop Türkiye’s electrified rail network, connecting Turkish and Georgian lines.<sup>52</sup> In 2021 the TURKUAZ project of the Turkish Pasifik Eurasia logistics company and Azerbaijan’s ADY Container corporation ran its first cargo train connecting Baku and Budapest in six days via the Baku-Tbilisi-Kars railway and Istanbul.<sup>53</sup> The OTS promotes regional transport connectivity through strategic plans like the “Turkic World Vision – 2040” and initiatives such as the Sister Ports Process (2013), regular ministerial meetings and meetings of railway officials, and an electronic permit project to digitalize transit documents. It also supports customs cooperation among member states via a working group aiming to implement a common e-TIR system.<sup>54</sup>

All the OTS’s aforementioned connectivity projects align closely with Hungary’s foreign economic policy agenda, identity politics, and perceived national interests. The most notable field of economic interests shared with the Turkic world is the energy sector, where Hungary has made a strategic and long-term investment in both its own energy security and Turkic cooperation. Private and state-owned Hungarian

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<sup>50</sup> Guido Ascari, Dennis Bonam and Andra Smadu, “Global supply chain pressures, inflation, and implications for monetary policy”, *Journal of International Money and Finance* 142, 103029 (February 2024): 1–25.

<sup>51</sup> Ministry of Foreign Affairs of the Republic of Kazakhstan, “Kazakhstan, Azerbaijan, Georgia and Turkey discussed the development of transport routes through the Caspian Sea” (Aktau, 25 November 2022), <https://www.gov.kz/memleket/entities/mfa/press/news/details/466518?lang=en> (accessed 30 January 2025).

<sup>52</sup> World Bank Group, “World Bank Approves \$660 million for Türkiye to Expand Low-Carbon Rail Network to Boost Growth and Jobs”, Press release (Washington D.C., 05 December 2024), <https://www.worldbank.org/en/news/press-release/2024/12/05/world-bank-approves-660-million-for-turkiye-to-expand-low-carbon-rail-network-to-boost-growth-and-jobs> (accessed 04 February 2025).

<sup>53</sup> “More cargo between Europe-Azerbaijan through Turkey”, *Aze Media* (online), 15 July 2021, <https://aze.media/more-cargo-between-europe-azerbaijan-through-turkey/> (accessed 04 February 2025); “Turkish President unveils high-speed train project linking Ankara, Black Sea and Georgia”, *Georgian Public Broadcaster* (online), 05 January 2025, <https://1tv.ge/lang/en/news/turkish-president-unveils-high-speed-train-project-linking-ankara-black-sea-and-georgia/> (accessed 20 January 2025).

<sup>54</sup> Organization of Turkic States (OTS) facilitates cooperation between member states’ railway sectors, organizing regular meetings of the Heads of Railway Administrations since 2022. The Sister Ports Process was launched in 2013 with the aim of strengthening cooperation between sea and dry ports and logistics and cargo centres across member states, fostering technical exchange and knowledge sharing to enhance inter-port cooperation within the region. Organization of Turkic States (OTS), *Transport Cooperation* (Istanbul, n.d.), <https://www.turkicstates.org/areas-of-cooperation-detail/4-transport-cooperation> (accessed 30 January 2025); Organization of Turkic States (OTS), *Customs Cooperation* (Istanbul, n.d.), <https://www.turkicstates.org/areas-of-cooperation-detail/3-customs-cooperation> (accessed 30 January 2025).

companies are among the most significant foreign shareholders in Azerbaijan's oil and gas industry: MOL Group has a 9.57 percent stake in the Azeri-Chirag-Gunashli oilfield in Azerbaijan, and an effective 8.9 percent stake in the Baku-Tbilisi-Ceyhan pipeline.<sup>55</sup> MOL Group has also invested in Kazakhstan's gas sector, acquiring a 27.5 percent stake in the Rozhkovskoye onshore gas and condensate field.<sup>56</sup> The Hungarian state-owned MVM Group acquired a 5 percent stake in one of the world's largest offshore natural gas-condensate fields, the Shah Deniz in Azerbaijan, and a 4 percent stake in the Azerbaijan Gas Supply Company, the exclusive vehicle for marketing and sale of the gas produced at Shah Deniz.<sup>57</sup> MVM Group, along with Romanian, Georgian, and Azerbaijani companies, is a partner in the Green Energy Corridor Power Company which is developing a high-voltage direct current interconnector under the Black Sea, transporting clean energy from Azerbaijan to the European markets.<sup>58</sup> These investments have made Hungarian companies major stakeholders in the Caspian energy sector – alongside British, Russian, Turkish, and Iranian counterparts. Hungary aims to increase its gas imports from Azerbaijan tenfold in the foreseeable future, which will require further infrastructure investment throughout Türkiye and Southeastern Europe. This key area where Turkish and Hungarian interests meet provides opportunities for further economic and political cooperation – embedded in the ideological framework of Turanism and legitimized by political-philosophical concepts of pragmatism, connectivity, and conservatism. As Prime Minister Orbán put it in 2017 at a Turkish-Hungarian business forum, Hungary's loyal support for Türkiye is not an ad hoc, opportunistic rapprochement, but a long-term strategy based on historic ties and shared conservative values.<sup>59</sup>

However, the connectivity projects between Türkiye and its neighbourhood exclude one South Caucasian state: Armenia. Turkish-Armenian relations have traditionally been poor and even hostile, and official diplomatic ties have never been established in the history of the two neighbouring nations. The Turkish-Armenian border has been closed since 1993 – a move that marked the beginning of strategic Turkish support for Azerbaijan. Sporadic reconciliation efforts over the past two decades – such as the so-called football diplomacy of 2008 – have failed to produce any substantial results. Recent developments point to a possible normalization, however. The departure of Armenian troops from Azerbaijan's internationally recognized territory satisfies

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<sup>55</sup> MOL Group, *Azerbaijan* (Budapest, n.d.), <https://molgroup.info/en/our-business/exploration-and-production/azerbaijan> (accessed 22 January 2025).

<sup>56</sup> MOL Group, "First gas reached in Rozhkovskoye field, Kazakhstan" (Budapest, 22 December 2023), <https://molgroup.info/en/investor-relations/investor-news/first-gas-reached-in-rozhkovskoye-field-kazakhstan> (accessed 22 January 2025).

<sup>57</sup> MVM Group, 2024.

<sup>58</sup> Thijs Van de Graaf, *Corridors of Power: The Black Sea Cable between Azerbaijan and Europe* (Brussels: Brussels Institute for Geopolitics [BIG], 30 October 2024), <https://big-europe.eu/publications/2024-10-30-corridors-of-power-the-black-sea-cable-between-azerbaijan-and-europe> (accessed 22 January 2025).

<sup>59</sup> Cabinet Office of the Prime Minister of Hungary, "Hungary is on Turkey's side", Press release (Budapest, 30 June 2017), <https://2015-2022.miniszterelnok.hu/hungary-is-on-turkeys-side/> (accessed 24 January 2025).

Türkiye's main precondition for reconciliation. In July 2022, Türkiye and Armenia reached a landmark agreement to open the Alican - Margara border crossing to citizens of third countries and holders of diplomatic passports. In July 2024 Turkish and Armenian special envoys met in person at one of the border crossings to explore the possibility of restoring the disused railway connection between the northwestern Armenian city of Gyumri and Kars in Türkiye.<sup>60</sup> Armenian Prime Minister Nikol Pashinyan met Erdoğan in person two months later in New York, opening the "path to unconditional normalization".<sup>61</sup> Pashinyan's presence at Erdoğan's inauguration in June 2023 also clearly demonstrated Armenia's commitment to normalizing relations. However, it seems unlikely that Armenia and Türkiye will normalize relations before a peace treaty between Armenia and Azerbaijan is signed, as that would effectually freeze the strategic alliance between Türkiye and Azerbaijan – a development that would not be in either country's interest.

Historically Hungarian-Armenian relations have been good, and Armenian communities have lived in Hungary since the thirteenth century. Yet the bilateral relationship has been difficult of late. Armenia broke off diplomatic relations in 2012 after the Hungarian authorities extradited Ramil Safarov to Azerbaijan, where he was pardoned. Safarov was a lieutenant colonel in the Azerbaijani army, who had been convicted in a Hungarian court of the murder of Armenian lieutenant Gurgen Margaryan during a three-month language course organized by NATO in Budapest.<sup>62</sup> Diplomatic ties were restored in 2022, after a decade of reconciliation measures. When Armenian President Vahagn Khachatryan visited Budapest in 2024, the two sides agreed to reopen their embassies. Hungary provided financial aid to Armenian refugees from Karabakh through the Armenian Red Cross,<sup>63</sup> supported ethnic Armenian communities in Lebanon, Iraq, and Syria through the foreign ministry's Hungary Helps project,<sup>64</sup> and pledged to organize summer camps for over one

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<sup>60</sup> "Armenia and Turkey 'reconfirm' agreement to open border", *Civilnet* (online), 30 July 2024, <https://www.civilnet.am/en/news/790644/armenia-and-turkey-reconfirm-agreement-to-open-border/> (accessed 31 January 2025).

<sup>61</sup> Republic of Türkiye Directorate of Communications, "Statement regarding President Erdoğan's meeting with Prime Minister Pashinyan of Armenia", Press release (Ankara, 24 September 2024), <https://www.iletisim.gov.tr/english/haberler/detay/statement-regarding-president-erdogans-meeting-with-pm-pashinyan-of-armenia> (accessed 31 January 2025).

<sup>62</sup> The Hungarian foreign ministry "told the ambassador of Azerbaijan in Budapest on Sunday that the actions that followed the transferral home of life-sentenced Azerbaijani Ramil Sahib Safarov are unacceptable to Hungary."

Cabinet Office of the Prime Minister of Hungary, "Azerbaijani extradition - Foreign ministry says Azerbaijan's action unacceptable", Press release (Budapest, 03 September 2012), <https://2010-2014.kormany.hu/en/ministry-of-foreign-affairs/news/azerbaijani-extradition-foreign-ministry-says-azerbaijan-s-action-unacceptable> (accessed 31 January 2025).

<sup>63</sup> Hungary Helps, *Armenian Red Cross support for the immediate care of refugees* (Budapest, n.d.), <https://hungaryhelps.gov.hu/en/projects/armenian-red-cross-support-for-the-immediate-care-of-refugees> (accessed 31 January 2025).

<sup>64</sup> Szabolcs Illyés "Tristan Azbej: Hungary provides humanitarian aid to Armenia", *S4C News* (online), 28 September 2023, <https://s4c.news/2023/09/28/tristan-azbej-hungary-provides-humanitarian-aid-to-armenia/> (accessed 03 February 2025).

thousand Armenian refugee children in Hungary, the first round of which took place in August 2024.<sup>65</sup>

Georgia is another pillar of regional stability, with its Euro-Atlantic partnership. Both Hungary and Türkiye view the conflict between the Georgian Dream government and its European and American partners – which stemmed from Georgia’s unwillingness to join Western sanctions against Russia after it invaded Ukraine in 2022 – as a threat to local and regional stability, damaging the balance of power and risking re-escalation of Georgia’s military conflicts. Hungary was among the loudest opponents of the EU’s initial decision in 2022 not to grant Georgia candidate status, and was one of the prime movers behind the decision’s reversal a year later. Hungary vehemently opposed the EU’s decision to freeze Georgia’s accession process in June 2024, after debates about Georgia’s “Transparency of Foreign Influence” law derailed the Georgia-EU political dialogue. Hungary was one of the few EU countries to recognize the Georgian parliamentary election result in October 2024, and vowed to veto any EU sanctions on democratically elected government officials.<sup>66</sup> Türkiye stood alongside Hungary – as did neighbouring Armenia and Azerbaijan – in recognizing the Georgian election result, committing themselves to supporting Georgian and regional political and economic stability.<sup>67</sup>

Stability and enhanced interregional connectivity are essential for securing Hungarian and Turkish investments and interests in the South Caucasus, with special regard to the seamless flow of energy and freight from the Caspian region through the South Caucasus and Türkiye to Europe. Both countries seek to secure their investments by stabilizing the regional balance of power, but employ different means of engagement. Unlike Türkiye, Hungary cannot project hard power in the region, but as an EU member state has political leverage to shape EU policies. Hungary plays a more active role in the EU-Georgia dispute, attempting to mitigate the damage to Georgia’s Euro-Atlantic perspective has suffered – for example by blocking personal EU sanctions against Georgian lawmakers, resistance to suspending the visa-free regime for Georgian diplomats, etc. Türkiye, on the other hand, took the side of Azerbaijan in the Karabakh conflict, while still expressing a readiness to normalize relations with Armenia.

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<sup>65</sup> “Hungary summer camp receives forcibly displaced children from Nagorno-Karabakh”, *Armenpress* (online), 21 August 2024, <https://armenpress.am/en/article/1198062> (accessed 31 January 2025).

<sup>66</sup> Péter Pál Kránitz, *Whose democracy? Consequences of the EU-Georgia row*, MKI Perspective (Budapest: Hungarian Institute of International Affairs [HIIA], 05 December 2024), <https://hiia.hu/en/whose-democracy-consequences-of-the-eu-georgia-row/> (accessed 08 July 2025).

<sup>67</sup> Not only was President Erdoğan among the first to congratulate Georgian Prime Minister Irakli Kobakhidze on his party’s re-election in the parliamentary elections in October 2024, he was also one of the first to congratulate President Mikheil Kavelashvili on his election in December 2024. “President of Türkiye congratulates Georgian PM on GD’s winning elections”, *Georgian Public Broadcaster* (online), 29 October 2024, <https://1tv.ge/lang/en/news/president-of-turkiye-congratulates-georgian-pm-on-gds-winning-elections/> (accessed 9 April 2025).

5.

# Implications for the European Union

Hungary's stance on EU-Turkish relations is clear: Türkiye is a key contributor to Europe's security, and therefore it is necessary to put back "political, economic, and trade relations on the agenda", on the basis of shared interests and mutual respect.<sup>68</sup> Hungary also shares economic and political interests in the South Caucasus with its fellow EU member states. The EU also made a strategic decision in 2022 to invest in sourcing Caspian oil and gas as an alternative to Russian supplies. And in 2024 it set out an ambitious plan to foster EU-Central Asia connectivity by developing transport networks from Central Asia through the South Caucasus to Europe – what is called the Trans-Caspian Transport Corridor – to provide an alternative trade route to the Iron Silk Road or the Northern Corridor. As long as Black Sea shipping remains threatened by military disruption and bears the burden of increased wartime insurance costs, Türkiye remains the only safe, stable, and open route into the European Union for cargo using the Middle Corridor. Cooperation with Türkiye is essential for the EU to secure its investments in this new geopolitical agenda and foster energy and transportation connectivity with Central-Eurasia.

Strengthening EU-Türkiye cooperation was a major objective of the Hungarian government when it took over the rotating Presidency of the Council of the European Union in July 2024. However, it faced major difficulties. The tasks of managing the EU's multifaceted crises – security, energy, supply chains, financial, competitiveness, Covid recovery, etc. – were hampered by the institutional transition period. European elections took place just weeks before the Hungarian Presidency began, the new Commission did not meet until December 2024, while the summer and winter recesses caused additional delays in legislative processes. Even so, the Hungarian EU Council Presidency strove to make substantial progress on the competitiveness crisis, and the EU heads of state and government adopted the Budapest Declaration on the New European Competitiveness Deal in November 2024. The Hungarian Presidency also injected momentum into the enlargement process, organizing the Western Balkans Summit, concluding three negotiation chapters with Montenegro,<sup>69</sup> opening

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<sup>68</sup> Hungarian Presidency of the Council of the European Union, 2024a.

<sup>69</sup> Hungarian Presidency of the Council of the European Union, "Significant Step Forward in Montenegro's EU Accession: Three Negotiation Chapters Closed", Press release (Budapest, 19 December 2024b), <https://wayback.archive-it.org/12090/20250412082335/https://hungarian->

new chapters with Albania,<sup>70</sup> and realizing the enlargement of the Schengen Zone to include Bulgaria and Romania.<sup>71</sup> The Hungarian Presidency promoted significant developments in the EU-Türkiye dialogue and fostered “major efforts”, most notably on visa liberalisation and the expansion of the customs union. These included the first EU-Türkiye High-Level Dialogue on Trade, and inviting Türkiye’s foreign minister to attend an informal EU ministerial meeting for the first time in five years.<sup>72</sup>

The Hungarian EU Presidency’s programme put European-Turkic cooperation back on the EU’s agenda, highlighting the need for the bloc “to strengthen cooperation in the areas of trade and economic relations, energy security, connectivity, common security challenges, as well as people-to-people relations and mobility, in line with the EU-Central Asia Roadmap and the Global Gateway strategy”.<sup>73</sup>

The Hungarian EU presidency organized 340 events, dozens of which engaged European decisionmakers, civil society representatives, and experts on the EU’s role in Eastern Europe, the South Caucasus and Central Asia, such as the Eastern Europe and Central Asia Working Group meeting in December 2024, or the Ministerial Meeting of the High-Level Group on Strengthening Energy Connectivity in Central and Southeastern Europe in October.<sup>74</sup>

Hungarian and Turkish engagement in the South Caucasus may offer important implications for the EU. First and foremost, it is essential to restore the partnership with Georgia to secure Europe’s economic and political positions in the region, as well as to advance (or at least not reverse) Georgia’s EU aspirations. Hungary considers the EU’s handling of Georgia’s domestic political crisis a strategic mistake that undermines the EU’s security and economic interests as well as its geopolitical ambitions in its Eastern Neighbourhood. The result of the European Parliament’s November 2024 statement calling for the limiting of formal EU-Georgia relations and

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[presidency.consilium.europa.eu/en/news/significant-step-forward-in-montenegros-eu-accession-three-negotiation-chapters-closed/](https://presidency.consilium.europa.eu/en/news/significant-step-forward-in-montenegros-eu-accession-three-negotiation-chapters-closed/) (accessed 05 February 2025).

<sup>70</sup> Hungarian Presidency of the Council of the European Union, “Historic moment: Accession negotiations with Albania commence”, Press release (Budapest, 15 October 2024c), <https://hungarian-presidency.consilium.europa.eu/en/news/historic-moment-accession-negotiations-with-albania-commence/> (accessed 05 February 2025).

<sup>71</sup> Hungarian Presidency of the Council of the European Union, “Bulgaria and Romania Fully Join the Schengen Zone”, Press release (Budapest, 16 December 2024d), <https://wayback.archive-it.org/12090/20250412082930/https://hungarian-presidency.consilium.europa.eu/en/news/bulgaria-and-romania-fully-join-the-schengen-zone/> (accessed 05 February 2025).

<sup>72</sup> “EU making ‘major effort’ to address visa issues for Türkiye, says bloc’s envoy”, *Middle East Monitor* (online), 27 December 2024, <https://www.middleeastmonitor.com/20241227-eu-making-major-effort-to-address-visa-issues-for-turkiye-says-blocs-envoy/> (accessed 05 February 2025); European Council (EC), *Informal meeting of Foreign Affairs Ministers – August 2024* (Brussels, 29 August 2024), <https://newsroom.consilium.europa.eu/events/20240829-informal-meeting-of-foreign-affairs-ministers-august-2024> (accessed 08 July 2025).

<sup>73</sup> Hungarian Presidency of the Council of the European Union, 2024a.

<sup>74</sup> Hungarian Presidency of the Council of the European Union, *Events* (Budapest, 2024e), <https://wayback.archive-it.org/12090/20250412082223/https://hungarian-presidency.consilium.europa.eu/en/events/> (accessed 05 February 2025).

the imposition of sanctions on government officials, was that the Georgian government took EU accession off the agenda of EU–Georgia negotiations and rejected EU funding until Brussels ceased its policy of political “blackmail”.<sup>75</sup> Hungary proposed a political solution to the crisis, where the EU would fulfil its offer of a European perspective for Georgia – just as strongly as it has for Ukraine, another EU membership candidate under partial Russian occupation – and secure the EU’s normative role in Georgia, with a possible extension to Armenia.

Türkiye recognized the results of the 2024 election in Georgia, and in many ways it acts on behalf of the EU to foster Georgia’s European integration and offer an alternative to Chinese and Russian economic co-dependency. Only one EU member state, the Netherlands, supplied Georgia with more foreign direct investment than Türkiye in 2023, outperforming even the United States, while in the first quarter of 2024 Türkiye was the top foreign investor in Georgia.<sup>76</sup> In 2024, Türkiye was Georgia’s top bilateral trade partner, surpassing the United States and Russia.<sup>77</sup> Türkiye represents Georgia’s only access to west-bound land routes. It invests constantly in cross-border infrastructure projects that connect Georgia with its Western partners, including the European Union. These include high-speed rail, the simplification of customs rules, the opening of new border checkpoints and the upgrading of existing ones – all of which has expanded cross-border rail freight capacity.<sup>78</sup> Hungary also contributes to this agenda. The Hungarian airline Wizz Air is the market leader in Georgia, connecting Kutaisi with twenty-four European cities,<sup>79</sup> while the Hungarian government refused to sign on to the European Council’s suspension of visa-free travel for Georgian diplomats in January 2025.<sup>80</sup>

Hungary’s stance on the conflict over Karabakh and Türkiye’s role in it offers key takeaways for the EU on how to approach such delicate matters – and not to burn

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<sup>75</sup> “PM Kobakhidze: No EU accession negotiations until 2028, rejecting grants to avoid blackmail”, *Georgian Public Broadcaster* (online), 28 November 2024, <https://1tv.ge/lang/en/news/pm-kobakhidze-no-eu-accession-negotiations-until-2028-rejecting-grants-to-avoid-blackmail/> (accessed 04 February 2025).

<sup>76</sup> National Statistics Office of Georgia (Geostat), *Foreign Direct Investments* (Tbilisi, 2025), <https://www.geostat.ge/en/modules/categories/191/foreign-direct-investments> (accessed 08 July 2025).

<sup>77</sup> National Statistics Office of Georgia (Geostat), *External merchandise trade of Georgia 2024 (Preliminary)* (Tbilisi, 20 January 2025), <https://www.geostat.ge/media/67898/External-Merchandise-Trade-of-Georgia-in-2024.pdf> (accessed 08 July 2025).

<sup>78</sup> Mahir Humbatov (ed.), *The South Caucasus-centred transport hub: The crossroads of the East–West and the North–South corridors* (Budapest, Baku: Institute for Foreign Affairs and Trade (IFAT), Center for Strategic Studies (SAM), 2017): 53–98.

<sup>79</sup> “Georgia: Fast-growing Eastern European aviation market hits record passengers in 2024”, *Centre for Aviation (CAPA)* (online), 24 January 2025, <https://centreforaviation.com/analysis/reports/georgia-fast-growing-eastern-european-aviation-market-hits-record-passengers-in-2024-707952> (accessed 04 February 2025).

<sup>80</sup> Szijjártó Péter, “Magyarország megkapta a garanciákat – részletekkel jelentkezünk!” [Hungary received the guarantees – tune in for details!], n.d., 27 January 2025 (video), <https://www.facebook.com/szijjarto.peter.official/videos/1167544574952633> (accessed 04 February 2025).

bridges with any conflicting sides as it did in the Russo-Ukrainian war, where it led to the EU's lack of direct involvement in the talks with Russia on the terms of a ceasefire and a potential peace agreement. (It is no coincidence that the second round of talks, after Jeddah, were held in Istanbul.) Türkiye supported Azerbaijan both politically and tactically during the Second Karabakh War, with intelligence, military equipment, expertise, and, allegedly, technical personnel.<sup>81</sup> Just one day after the Russia-brokered ceasefire was signed, Türkiye established a joint monitoring centre with Russia in the previously Armenian-controlled district of Aghdam, signalling its intent to play a central role in South Caucasian geopolitics. Although Türkiye expressed its support for Azerbaijan's proposal to reestablish the Soviet-era road and rail route through Armenian territory between "mainland" Azerbaijan and its Nakhchivan exclave (the so-called "Zangezur corridor"), its unilateral implementation is not in Ankara's interest. After the 2022 Azerbaijani incursion into the territory of Armenia and the further deepening of the strategic political-military partnership between Israel and Azerbaijan,<sup>82</sup> Erdoğan and Pashinyan met in person and reaffirmed their intention to normalize relations. This signalled a commitment to Ankara's main strategic objectives in its Eastern neighbourhood: connectivity and stability.<sup>83</sup> Although President Erdoğan celebrated Azerbaijan's victory after the 2023 September military operation in Karabakh, it led to the dissolution of the joint Turkish-Russian monitoring centre and the withdrawal of the small contingent of Turkish troops from the country – another sign of the limits of Turkish-Azerbaijani geopolitical alignment.

As detailed above, the Hungarian strategy of connectivity aims to maintain good relations with as many actors as possible in the world economy and the international system. Hungary strives to act as an honest broker between opposing sides of conflicts, as evidenced by Prime Minister Orbán's 2024 peace mission to Ukraine, Russia, China, and the United States.<sup>84</sup> Hungary offered to mediate in the Georgian-EU row, and served as an intermediary between Iran and Israel after the Israel Defence Forces (IDF) killed Hamas leader Ismail Haniyeh in Tehran.<sup>85</sup> Hungary offered its help

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<sup>81</sup> Can Kasapoğlu, *Hard Fighting in the Caucasus: The Azerbaijani Armed Forces' Combat Performance and Military Strategy in the 2020 Nagorno-Karabakh War*, SAM Papers 18 (Ankara, Center for Strategic Research [SAM], Republic of Türkiye Ministry of Foreign Affairs, February 2021), <https://www.sam.gov.tr/media/mediafields/Paper/47zv769dx4y0r015sk4wygwn2/d2441de56ba05f28b54acbee894800be.pdf> (accessed 08 July 2025);

Parliamentary Assembly of the Council of Europe (PACE), *Humanitarian consequences of the conflict between Armenia and Azerbaijan / Nagorno-Karabakh conflict*, Resolution no. 2391 (Strasbourg, 27 September 2021), <https://pace.coe.int/en/files/29483/html> (accessed 08 July 2025).

<sup>82</sup> Christopher Phillips, "Azerbaijan: Israel's quiet friend", *Middle East Eye* (online), 25 June 2024, <https://www.middleeasteye.net/opinion/azerbaijan-israel-quiet-friend> (accessed 03 February 2025).

<sup>83</sup> The Prime Minister of the Republic of Armenia, "The leaders of Armenia and Turkey meet in Prague", Press release (Yerevan, 06 October 2022), <https://www.primeminister.am/en/press-release/item/2022/10/06/Nikol-Pashinyan-Recep-Tayyip-Erdogan/> (accessed 04 February 2025).

<sup>84</sup> Cabinet Office of the Prime Minister of Hungary, 2024.

<sup>85</sup> Joakim Scheffner, "Hungary Alerted Israel to Iran's Intention to Attack", *Hungarian Conservative* (online), 06 August 2024, [https://www.hungarianconservative.com/articles/current/israel\\_iran\\_attack\\_hungary\\_escalation\\_middle-east\\_diplomacy/](https://www.hungarianconservative.com/articles/current/israel_iran_attack_hungary_escalation_middle-east_diplomacy/) (accessed 31 January 2025).

to Armenia and Azerbaijan, too: in September 2024, Hungarian Minister of Foreign Affairs and Trade Péter Szijjártó suggested that the peace treaty between Yerevan and Baku could be signed in Budapest. Hungary is one of the few EU member states that can credibly claim to enjoy good relations with both Armenia and Azerbaijan, and has achieved notable successes in confidence-building and even conflict resolution, as evidenced by the return of five Armenian prisoners of war from Azerbaijan in 2021 through the mediation of Hungary and the involvement of its Air Force.<sup>86</sup>

Although the EU attempts to portray itself as a normative power in the South Caucasus, through its Eastern Partnership programme and enlargement policies, recent developments show that soft power alone (and the unrealistic carrot of achieving EU membership in a politically relevant timeframe for Georgia, much less the other two regional states) is not enough to engage in serious geopolitics – especially not in a region so exposed to global power competition as the South Caucasus. Azerbaijan-EU ties have demonstrably soured in recent years,<sup>87</sup> Georgia’s EU accession process is suspended, and Armenia’s EU perspective is undermined by a lack of security guarantees as well as minimal economic and energy connectivity infrastructure. Of the three traditional extra-regional actors actually capable of projecting power in the South Caucasus (i.e., Iran, Russia, and Türkiye), only Türkiye is a NATO member state and an EU candidate country. In other words, only Ankara is capable of credibly countering the ambitions of Moscow and Tehran.

Acknowledgement of Türkiye’s significance for Europe’s security and competitiveness – and for the success of the European Union’s investments in the South Caucasus – is crucial for any recalibration of the EU’s bilateral relations with Türkiye and the states of the South Caucasus. Hungary might offer a blueprint for such a policy. Hungary represents a balanced and unbiased approach to the Armenia-Azerbaijan peace process, offering its pragmatic diplomatic traditions balanced by its European values of democracy and human rights, a strategic cooperation with Turkic states, a realist foreign policy posture towards the domestic affairs of its sovereign partners, and a strategy of connectivity. Hungarian-style even-handedness is a critical precondition for the European Union to have anything resembling strategic influence in the South Caucasus. So is a willingness to take Turkish interests and preferences into account, without crossing any red lines of regional powers and local partners. After all, the EU has no track record of sustainable success in the South Caucasus, in large part, Budapest believes, on account of its inability to properly align its ambitions with its capabilities.

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<sup>86</sup> “5 Armenian POWs repatriated”, *Armenpress* (online), 02 December 2021, <https://armenpress.am/en/article/1071992> (accessed 31 January 2025).

<sup>87</sup> Galib Bashirov, *Azerbaijan’s Rocky Relations with Europe: Between Political Tensions and Energy Partnerships* (Canberra, Australian Institute of International Affairs [AIIA], 28 February 2024), <https://www.internationalaffairs.org.au/australianoutlook/azerbajjans-rocky-relations-with-europe-between-political-tensions-and-energy-partnerships/> (accessed 08 July 2025).

Substantial developments in Western geopolitical involvement in the South Caucasus can be expected during the second Trump administration, as first evidenced by the termination of US assistance through USAID (United States Agency for International Development) in January 2025. It seems likely that policy shifts towards Türkiye, Russia, and Iran will follow, which will likely have spillover effects on US policy toward the South Caucasus, too.<sup>88</sup> Some commentators have even suggested that Hungary could play an important role in supporting US engagement in the post-Soviet space, from Ukraine to Georgia.<sup>89</sup>

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<sup>88</sup> Richard Giragosian, “Comment: Trump’s return holds both peril and promise for the South Caucasus”, *bne Intellinews* (online), 04 February 2025, <https://www.intellinews.com/comment-trump-s-return-holds-both-peril-and-promise-for-the-south-caucasus-365107/> (accessed 5 February 2025); Kashvi Chaudhary and Vivek Mishra, *Will Trump 2.0 get involved in the South Caucasus?* (New Delhi: Observer Research Foundation [ORF], 24 December 2024), <https://www.orfonline.org/expert-speak/will-trump-2-0-get-involved-in-the-south-caucasus> (accessed 05 February 2025).

<sup>89</sup> “Trump Has Sought Orban’s Take On Ukraine War, Sources Tell RFE/RL”, *Radio Free Europe/Radio Liberty (RFE/RL)* (online), 30 November 2024, <https://www.rferl.org/a/trump-orban-ukraine-russia-war-hungary/33221630.html> (accessed 05 February 2025); Igor Seleznyov, “Трамп исполнил ‘грузинскую мечту’” [Trump has fulfilled the ‘Georgian dream’], *Независимая газета* (online), 07 November 2024, [https://www.ng.ru/cis/2024-11-07/5\\_9130\\_georgia.html](https://www.ng.ru/cis/2024-11-07/5_9130_georgia.html) (accessed 05 February 2025); “Trump may toss a few foreign policy curveballs in the Caucasus”, *Eurasianet* (online), 13 November 2024, <https://eurasianet.org/trump-may-toss-a-few-foreign-policy-curveballs-in-the-caucasus> (accessed 05 February 2025).

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# Conclusions and Recommendations

The Hungarian foreign policy strategy of connectivity offers a pragmatic, balanced approach to international relations in a turbulent geopolitical environment and disrupted world economy, striving to replace unilateral dependencies with a diversified, multidirectional network of relationships. One of this strategy's flagship projects is the Global Opening, which gives pride of place to Hungary's eastern political and economic partners in the Turkic world, starting with Türkiye. If Brussels (and the member states) were able to grasp the strategic opportunity offered by Hungary's observer state status in the OTS (which no other EU member state enjoys), it would inevitably find itself in a better geopolitical position in not only the South Caucasus but Central Asia as well.

It is in this context that Hungary's posture toward Türkiye rises even further in importance. Hungary considers Türkiye to be one of Europe's key allies in strengthening the continent's energy, economic, and military security, and therefore argues for intensified political dialogue between the EU and Türkiye on issues concerning the South Caucasus. Hungary supports Türkiye's economic policies in the South Caucasus by working to develop interregional transport and energy connectivity, which are crucial for the stability of European supply chains and energy markets. Hungary has invested vast resources in the Caspian energy sector and has emerged as one of the most significant stakeholders in Azerbaijani energy projects and a key player in the transportation of fossil fuels and clean energy from that region to world markets. No other EU member state can credibly make a similar claim. The stable and seamless flow of Caspian energy to Europe is a top priority for Hungary and Türkiye alike.

As a well-established energy hub, Türkiye strives to become a transportation hub too – a policy with the potential to forge the EU and Türkiye into a community of interest. After the disruption of traditional transportation routes to the EU via the Red Sea and the Northern Corridor, the Middle Corridor is poised to emerge as a safe, stable, and reliable alternative. The Middle Corridor runs through the Turkic world from Kazakhstan to the South Caucasus and Türkiye, suggesting that the OTS will emerge as a geopolitical and geoeconomic powerhouse. Thanks to its insider status as an OTS

observer state and its connectivity-centric foreign policy, Hungary can serve as both a vanguard and defender of the EU's interests in this increasingly important theatre.

Key to this is the congruence of approach between Hungary and Türkiye in the South Caucasus on other issues – one that the EU would be well-served to reassess. For instance, Hungary and Türkiye stand together regarding several political decisions that have been crucial for establishing stability and security in the Euro-Atlantic sphere – such as their cautious attitude to Sweden's accession to NATO (which might imply other cases of alignment on Alliance policies in the broader region, the Middle East) or the recognition of Georgia's 2024 elections. Hungary and Türkiye are both firm on the necessity for a stable government in Tbilisi that is able to navigate Georgia through the turbulent geopolitical landscape of the Russian "near abroad" and pursue a peaceful and pragmatic approach to the Russo-Georgian conflict. They both understand that recent European and American sanctions against the Georgian government threaten the stability of the whole region and advocate a path of rapprochement between Georgia, the European Union, and the United States based on mutual respect and the desire for stability and mutually beneficial economic and political cooperation. Both Ankara and Budapest understand that Russian influence will never be expelled from the South Caucasus, and agree that it would be not only imprudent but dangerous to pursue such a course of action: the South Caucasus is *not* analogous to the Baltic region or the Western Balkans, as it is in immediate proximity to one of Russia's most important geostrategic regions, the Azov region, and to the restless North Caucasus. It is also home to the largest foreign contingent of the Russian army, the 102nd Military Base in Gyumri, Armenia, and provides Moscow land routes to the Middle East and Anatolia.

# Abbreviations

ASEAN	<i>Association of Southeast Asian Nations</i>
CSTO	<i>Collective Security Treaty Organization</i>
FDI	<i>Foreign Direct Investments</i>
IDF	<i>Israel Defence Forces</i>
KDNP	<i>Christian Democratic People's Party of Hungary</i>
KFOR	<i>NATO Kosovo Force</i>
OTS	<i>Organization of Turkic States</i>
TANAP	<i>Trans Anatolian Natural Gas Pipeline</i>
TIF	<i>Turkic Investment Fund</i>
TPAO	<i>Turkish Petroleum Corporation</i>
USAID	<i>United States Agency for International Development</i>

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German Institute for International and Security Affairs  
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