

division is officially overcome, this will offer little hope for unity of all political groups during the future negotiations with the Taliban. It also seems highly probable that this rift will be used by the Taliban to their advantage. Right now, their position at the negotiation table appears to be very strong and coherent, compared to the other side.

It does not mean, however, that the threat of the return of the Islamic Emirate which the Taliban established in the last decade of 20th century has to materialise. There is currently a number of factors mitigating this scenario. Firstly, important international players active in the region, such as Russia, China and Iran, will probably not allow this to happen out of fear of history repeating itself. Secondly, the Taliban are aware of the fact that the lack of international recognition has been one of the reasons of their failure in the past. Thirdly, in terms of its economic performance, Afghanistan will not be able to function properly without foreign financial support and this will not change in the foreseeable future, even if the intra-Afghan talks were to be successful. Domestically, after almost 20 years of conflict, Afghanistan remains a highly militarised country, even compared to the earlier periods. Thus, any attempt to lay the foundations for the Emirate could be met with a very strong reaction from the opposing groups, which would result in yet another civil war.

### **Polish exports to China in 2019**

*Łukasz Sarek*

In 2019, Polish exports to China have increased by 472 million USD (18.9% YOY) which equals to an increase by 2,375 billion PLN (26.3% YOY). The higher rate of growth in PLN has been due to a higher USD exchange rate in that year. The value of export growth in the statistical chapters where growth was recorded has been several times higher than the value of export growth in the chapters where decrease in exports had been recorded (a 590 million USD increase versus a 118 million USD decrease). The group of 10 largest chapters in terms of exports to China has not included any new items compared to 2018. The top three chapters in 2019 included copper products, machinery, electrical and electrical machinery products.

Within the group of leading statistical chapters, wood exports have clearly gained importance as their value has almost doubled. The largest increase in exports has been recorded not by copper products but in the chapters that included machinery, relevant components and spare parts. This is a positive development. In this chapter, export growth has been much more dynamic than the average growth rate of Polish exports to China and has been generated by differentiated groups of products, such as gas and turbojet turbines, earthmoving machines, tobacco processing machines and various types of centrifuges. In the majority of remaining chapters, growth was mainly driven by products belonging to individual statistical headings or even subheadings. Fall in exports in a single heading or subheading, can result in a dramatic decrease in exports in the whole chapter. Poultry exports to China have fluctuated substantially in recent years due to the avian influenza outbreaks in Poland. At the level of headings, main export products in terms of export value include copper cathodes, raw or roughly processed wood, car parts, machine parts, gas turbines, furniture, electrical transformers, synthetic rubber, poultry meat and offal.

One of the negative aspects of Polish exports to China is the growing asymmetry in the distribution of export value across chapters. Most of the exports' value is concentrated in a limited number of chapters. In 2019, 20% of the chapters generated more than 92% of exports and the top 10 chapters were valued at almost 82% of all exports' value to China. These values were higher than in 2018. A further increase in export value concentration was also recorded at the level of headings: 10% of the headings constituted 91.6% of the value of exports, 5% of the headings almost 80% and the top 10 headings, representing less than 1% of the total number of headings, constituted 47.2% of the exports value to China. The increasing concentration has been recorded not only in the distribution of export value but also in the distribution of the increase in export value across chapters and headings. The total value of the increase in export growth to China in headings with positive growth was over 735 million USD. This value is higher than the one recorded for the chapters, which indicates differentiation of export dynamics within chapters. Ten top headings in terms of the value of export growth in 2019 equalled 431 million USD which means that their share in

the value of positive growth was 58.6%. Export increase in top 10% of the headings with a positive growth was 86.6% of the total positive growth value recorded at this level.

Among the items with the highest growth value, there are four which are not among the top ten headings generating the highest value in exports. These include car tires, milk, coal and rock cutters – a subheading of earthmoving machinery – as well as inorganic chemical substances. This is a positive signal indicating that a new group of products has gained importance. Given significant imports of car tires from China (in terms of their value), the increase in exports in this heading is also a positive phenomenon.

There has also been a dynamic increase in the export of milk. It is in fact the only food product with a significantly and steadily increasing value of exports to China in recent years. When it comes to products that are recording dynamic and healthy growth, no other food product had gained importance among the top Polish exports to China, neither at the level of the leading chapters nor that of headings other food products.

### **Japan has launched its first commercial 5G network**

*Konrad Rumiński*

On March 25, Japan's predominant mobile phone operator NTT Docomo has launched the country's first commercial 5G network. Shortly afterwards, KDDI and SoftBank have launched their own networks. For now, the 5G service provided by NTT Docomo is available in 150 places, including Tokyo and Osaka. The network is supposed to cover the entire territory of Japan by 2024. Its deployment can be linked to the participation of many smaller companies. Early implementation of 5G in Japan was made possible by favourable government decisions, i.e. allocation of frequencies not through an auction, but in exchange for declared investment in private infrastructure. Such a policy is attractive as it does not reduce the capital that the enterprises can spend on investments. In addition, the government offered tax incentives to companies involved in 5G research and development across many sectors of the economy. These factors can facilitate international expansion of Japanese companies in this field.

