

Embassy of India Budapest

ECONOMIC AND COMMERCIAL REPORT For the month of AUGUST 2023

REPORTING PROFORMA FOR COMMERCIAL WINGS (Data Source: KSH, Central Statistical Office of Hungary)

Name of the Mission (Country): Embassy of India, Budapest

I. MONTHLY REPORT FOR HUNGARY

A. Trade in goods

(I) Quantitative data

a) Total trade in goods during

0	5	2	0	2	3
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	export (US\$ mln)	import (US\$ mln)	Status (P) Provisional/ (F) Final
Country's trade with India	36.5	80.4	F
Country's total global trade	14161.2	12939.1	F

Source: KSH.hu Central Statistical Office of Hungary

b) Preferential trade in goods during

0	5	2	0	2	3
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S.No	Preferential / Free Trade agreement with India	Preferential imports from India (US\$ mln)	Preferential imports from World (US\$ mln)
1	N.A.		

(Source: Customs/National Trade Statistics of reporting country)

S.No	Preferential / Free Trade agreement with India	Preferential exports to India (US\$ mln)	Preferential exports to World (US\$ mln)
1	N.A.		

(Source: based on Certificate of origin issued by reporting country)

c) Top 10 items of import from India during

0	5	2	0	2	3
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S. No.	Commodity (6 digit HS tariff line)	Value (US\$ mln)	Quantity (1000 kgs)	Unit of Measurement	% share in total import of the commodity globally
1	850760 Lithium-ion accumulators (excl. spent)	8.3	77.4	kgs	4.2%
2	852691 Radio navigational aid apparatus	8.1	21.6	kgs	42.6%
3	293410 Heterocyclic compounds containing an unfused thiazole ring, ...	6.2	142.6	kgs	98.9%
4	300390 Medicaments consisting of two or more constituents...	4.9	59.1	kgs	46.1%

5	690220 Refractory bricks, blocks, tiles and similar refractory ceramic constructional goods...	3.5	507.3	kgs	88.7%
6	841199 Parts of gas turbines, n.e.s.	1.9	145.0	kgs	2.6%
7	870840 Gear boxes and parts thereof, for tractors, motor vehicles for the transport of ten or more persons,...	1.9	58.6	kgs	1.5%
8	848310 Transmission shafts, incl. cam shafts and crank shafts, and cranks	1.7	519.8	kgs	6.0%
9	390769 Poly"ethylene terephthalate", in primary forms, having a viscosity number of < 78 ml/g	1.7	1,628.4	kgs	64.5%
10	300490 Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes,...	1.5	50.0	kgs	0.7%

(Source: KSH.hu Central Statistical office of Hungary)

d) Top 10 items of export to India during

0 5 2 0 2 3

S. No	Commodity (6 digit HS tariff)	Value USD mln	Quantity 1000 kgs	unit
1	294190 Antibiotics	3.2	.4	kgs
2	690919 Ceramic wares for chemical or other technical uses	3.2	98.7	kgs
3	681513 Articles of carbon fibres, for non-electrical purposes (excl. fabrics)	2.5	138.0	kgs
4	853710 Boards, cabinets and similar combinations of apparatus for electric control or the distribution of electricity	1.7	13.9	kgs
5	848340 Gears and gearing for machinery	1.4	74.6	kgs
6	480640 Glassine and other glazed transparent or translucent papers	1.2	819.9	kgs
7	847180 Units for digital automatic data processing machines	1.1	.3	kgs
8	292910 Isocyanates	1.0	427.9	kgs
9	220210 Waters, incl. mineral and aerated, with added sugar, sweetener or flavour	1.0	1,085.1	kgs
10	840734 Spark-ignition reciprocating piston engine, of a kind used for vehicles of chapter 87	1.0	51.6	kgs

(Source: KSH.hu Central Statistical office of Hungary)

e) Potential products of imports from India during

0 5 2 0 2 3

S.No.	Commodity (6 digit HS tariff line)	Rationale (Max.200 words)
1	382499 Chemical products and preparations of the chemical or allied industries, incl. those consisting of mixtures of natural products, n.e.s.	Total Hungarian imports for the month were in the value of USD 374.8mln, while imports from India to Hungary were 0.1.
2	851762 Machines for the reception, conversion and transmission or regeneration of voice, images or other data..	Total Hungarian imports for the month were in the value of USD 168.6 mln, while imports from India to Hungary were USD 0.4 mln
3	850760 Lithium-ion accumulators (excl. spent)	Total Hungarian imports for the month were in the value of USD 197.1 mln, while imports from India to Hungary were USD 8.3 mln.
4	854231 Electronic integrated circuits as processors and controllers	Total Hungarian imports for the month were in the value of USD 201.9 mln, while imports from India to Hungary were USD 0.1 mln.
5	300490 Medicaments consisting of mixed or unmixed products	Total Hungarian imports for the month were in the value of USD 209.4mln, while imports from India to Hungary were USD 1.5 mln.

(Source: KSH.hu Central Statistical office of Hungary)

(ii) **Qualitative Feedback**

1. Market access alerts (attach copy of notification):

The Director General for Trade of the European Commission in Brussels issues notifications of investigations based on the complaints of the specific industries in various EU countries. The status of the current measures/investigations on India can be accessed on the links:

- EU Tariffs: <https://madb.europa.EU/madb/euTariffs.htm>
- TBT: <http://trade.ec.europa.EU/tidi/completed.cfm>
<http://ec.europa.EU/growth/tools-databases/tbt/en/>
- RASFF: https://ec.europa.EU/food/safety/rasff_en
- <https://webgate.ec.europa.EU/rasff-winebopsdow/portal/?event=SearchForm&cleanSearch=1>
- Taxation and Customs union: http://ec.europa.EU/taxation_customs/index_en.htm
- Taric Database (Trade Tariffs): https://ec.europa.EU/taxation_customs/dds2/taric/taric_consultation.jsp?Lang=en

a. Alerts on customs tariff changes: -

S.No.	Notification no. and date	HS code	Description	original customs tariff	Present customs tariff	effective from	Remarks if any
Nil at the time of the report							

Source: Market access Map <https://www.macmap.org/en>

b. Alerts on non tariff measures (SPS/TBT/ import and export procedures/ restrictions/ prohibitions, licensing/ STEs etc.)

S.No	Notification no./ date	Measure	HS Codes	effective from	Remarks if any
Nil at the time of the report					

c. Alerts on standards, technical regulations and conformity assessment procedures:

S.No.	Notification no./ date	Standard/ technical regulation/ conformity assessment procedure	HS Codes	effective from	Remarks if any
Nil at the time of the report					

d. Alerts on trade defense measures taken by respective country:

(Safeguards including special safeguard, antidumping, CVD or anti-subsidy)

[https://eur-lex.europa.eu/search.html?](https://eur-lex.europa.eu/search.html?lang=en&text=Trade+Barrier&qid=1592639361096&type=quick&scope=EURLEX&sortone=DD&sortoneorder=desc&sortoneorder=desc&page=2#SearchCriteriaPanel)

<https://eur-lex.europa.eu/search.html?lang=en&text=Trade+Barrier&qid=1592639361096&type=quick&scope=EURLEX&sortone=DD&sortoneorder=desc&sortoneorder=desc&page=2#SearchCriteriaPanel>

S.No.	Notification no., date or other references	Type (initiation, final, prov., sunset, consultations, new shipper review)	Details of products/ sectors affected (including HS codes)	Effective from	Remarks if any
Nil at the time of the report					

e. Alert on services, regulatory regime, Qualification requirement, licensing procedures, visa regime, barriers etc.

S.No	Notification no., and date or other references	Service sectors affected	Modes	Effective from	Remarks if any
Nil at the time of the report					

Overview of General Barriers to FDI in Hungary:

Regulatory barriers and administrative burden are affecting all sectors but particularly energy, construction, and banking: The overall administrative burden, including start-ups, negatively affects investment decisions. The instability of the regulatory framework, with frequent and unpredictable regulatory changes, creates uncertainty for investors and is hindering both internal investment and FDI.

The Hungarian government imposes a 100% offset requirement for defined sector investments over HUF 1bln (EUR 2.8 mln). Efficiency of procedures in construction and environmental permits is insufficient; corruption also raises risk for investors. There is no requirement that investors must purchase from local sources, but the EU Rules of origin applies.

Ownership restrictions (all non-EU)

according to the 2014 Land Law, only private Hungarian or EU citizens resident in Hungary with a minimum of three years experience of working in agriculture or holding degree in agriculture can purchase farmland, which is limited to 300 hectares. All others may lease farmland. All farmland purchases must be approved by a local land committee and Hungarian authorities, local farmers and young farmers must be offered a chance to purchase the land first. Up to 1200 hectares for a maximum of 20 years may be leased.

Price controls in consumer facing sectors and others considered to be of strategic importance.

The Hungarian government regulates the prices of certain goods, setting the upper and lower limits to which the private sector must adhere. Sectors include energy, pharmaceuticals. Cuts on regulated utilities prices have put considerable pressure on private utilities companies, decreasing profit margins and adding to an increasingly difficult operating environment.

State intervention in Banking, energy, agriculture, media, telecommunications, and retail sectors.

Since 2012 government has invested in state-owned enterprises with the objective of lessening the participation of foreign-owned competitors, especially in the energy sector. From 1 Jan 2019, the chemical industry, the telecom sector, vehicle construction, metallurgy, optics and electric equipment production, the defence industry, water and sewage management, the financial sector, food industry and agriculture, production of construction materials, state administration, health care, wage management, transport and tourism sectors have been added. Foreign investors in the targeted sectors have expressed concerns that the tax regime has become unpredictable and the additional levies appear to have been aimed against some industries with a high level of foreign ownership.

Basic Rules of The Protection of Strategic assets Concerning Foreign investments

The European Commission has issued Communication 2020/C 99 i/01 in which it has given guidance to the Member States of the EU concerning the protection of Europe's strategic assets from the foreign direct investment, ahead of the application of Regulation (EU) 2019/452 (FDI Screening Regulation) which is applicable from 11 October 2020. Commission Delegated Regulation (EU) 2020/1298 of 13 July 2020 amended the Annex to Regulation (EU) 2019/452.

Hungary first adopted FDI screening mechanisms by act LVII of 2018 for FDI's violating the security interests of the country, then in the economic crisis caused by COVID-19, further screening rules were adopted for FDI's by Government Decree nr. 227/2020. (V.25.). According to the above, certain transactions concerning Hungarian-seated companies operated in strategic sectors by foreign investors shall be reported to the Minister of Finance and the acknowledgement of the Minister of Finance is necessary for the realisation of the acquisition of the shares until 31 December 2020. These transactions include the acquisition of shares, the increase of the registered capital and the transformation of the company. The strategic sectors specified by the Government Decree include energy, communication, finance, agriculture and food industry, healthcare, construction, transport industry, tourism, IT, mechanical engineering, etc. Those foreign investors that have shares in a company registered in the EU, European economic Community or in Switzerland shall only report the transaction if majority interest will be acquired indirectly. Conversely, the foreign investors wishing to acquire shares in a Hungarian company directly have to report any transactions by which the foreign investor would acquire shares at a ratio of at least 10% and the value of the investment is at least 350 000 000 HUF (appx EUR 1 mln). The Minister of Finance has 45 days or in specific and duly justified cases 60 days to decide on the acknowledgement of the transaction. Should the Minister provide a negative decision, then the exact reason of the prohibition is not required to be mentioned. Aggrieved investor may appeal before The Metropolitan Court for a review of the prohibiting decision.

Banking, agriculture, defence and energy

The Hungarian government has publicly declared that reducing foreign bank market share in the Hungarian financial sector and tightening regulations governing NGOs are key priority areas. Several state-led initiatives over the past several years targeted the banking sector and reduced foreign participation.

(iii). Other Feedback

a. Feedback from major Indian industries/other commercial concerns and Indian trade visitors to that country

S. No	Name of business house	activity sector	Trade barrier issues if any (incl. HS codes)	General Feedback (Max.200 words)
NIL at the time of the report				

b. Feedback on major trade activities **including logistic events** (trade fairs/BSM including Indian participation)

S. No	activity (trade fair, BSM etc.)	Date and venue	No of participants from India	Name(s) of large/ key participants from India	Feedback received (Max.200 words)	Source of funding (MAI TA/TC)
1	HOMEDesign Autumn	10-12 Nov 2023	Na	Na	-	Na
2	Agromash Expo	24-27 Jan 2023	Na	Na	-	Na
Hungexpo is the largest fair organizer in Hungary a full list of upcoming events can be found here: https://hungexpo.hu/en/events/						

c. Feedback from local commercial visitors to trade fairs in India, including under BSM; nr of Business Visas issued:

S. No	activity (trade fair)	Date and venue	Number of participants from the relevant country	List of large/ key participants from the relevant country	Number of Business Visas issued	Feedback received (Max.200 words)
1					1	na

(iv) any other submission 3000 char

1. Industrial output was down 3.8% year-on-year in June and 6.1% lower when adjusted for working days, according to preliminary data from the Central Statistics Office (KSH) said.. On a monthly basis, output contracted by 0.9% in the month after a spike in May. Most branches of manufacturing experienced a decline, but sectors with the highest weight performed well. Analysts say industrial output has been dragged down by lower production from energy companies and the weak performance of energy-intensive sectors. A rise in the vehicle and electrical equipment sectors, producing mainly for export, could not offset the decline in segments producing mainly for the domestic market, which struggled to the absence of demand, analysts added. The moderation of inflation and the recovery of purchasing power projected in the autumn provides some positive impetus to the domestic sectors, but the sector will fall short of output levels in 2022, analysts said.

2. Annual inflation dropped to 17.6% for July – still the highest in the EU – down from 20.1% in June the KSH said. Prices rose by only 0.3% from June, indicating that the annual inflation rate could fall below 10% as early as the late autumn months. There were year-on-year increases of 35.7% in household energy prices and 23.1% in food prices, on average, while “other items” – including fuel, household appliances and pharmaceuticals – rose by 17.2% on average. Services rose by 14.6%, clothes by 8% and consumer durables by 3.6%. Analysts expect average inflation to be 17.5% this year and to moderate to 3.9% next year.

3. Construction industry struggling to survive: The construction industry's order book was 30% smaller at the end of the first half of 2023 compared to the middle of last year, with the volume of new contracts signed this year 37% below the volume of contracts signed in the first half of 2022, according to the construction companies association Evosz. The combination of a cutback in public orders, amounting to Ft 3 trn, (appx EUR 7.7 bln) a 25% decline in housing construction and renovation, and foreign investors' use of imported materials, non-EU labour and contractor capacity have resulted in the critical situation, which may lead to job cuts. Evosz said many construction companies, design and engineering firms will not get enough work for the rest of the year. Radical cost reductions are necessary for the majority of construction companies, it said, which may entail downsizing with the low point coming in 2024.

B. Trade and investment:

The Hungarian investment Promotion agency(HIPA offers) a list of investment opportunities in Hungary on its website: http://www.investhipa.hu/index.php?option=com_iproperty&view=allproperties&itemid=854

a. Significant trends in trade and investment
(Source: KSH.hu Central Statistical office of Hungary)

S. No	Category	Details of significant trends (Max.200 words)	analysis (Max. 200 words)
1.	Trade in Goods Hungarian imports from India	Total imports from India	The value of imports increased by 9.7% in the Jan-May period of 2023 from USD 320.3 mln reaching USD 351.5 mln yr/yr.
		8526 Radar apparatus, radio navigational aid apparatus and radio remote control apparatus	The product group <i>decreased</i> by 26.6% in the Jan-May period of 2023 to USD 33.3 mln. It represents 9.5% of imports from India to Hungary.
		8507 Electric accumulators, incl. separators therefor	The product group increased considerably in the Jan-May period of 2023 to USD 28.2 mln. It represents 8% of imports from India to Hungary.
		3003 Medicaments consisting of two or more constituents mixed together	The product group increased by 55.1% in the Jan-May period of 2023 to USD 28.9mln. It represents 8.2% of imports from India to Hungary.
		8708 Parts and accessories for tractors, motor vehicles for the transport of ten or more persons,...	The product group increased by 19.5% in the Jan-May period of 2023 to USD 15.9 mln. It represents 4.5% of imports from India to Hungary.
		2933 Heterocyclic compounds with nitrogen hetero-atom(s) only	The product group increased by 33.4% in the Jan-May period of 2023 to USD 19 mln. It represents 5.4% of imports from India to Hungary.
2.	Trade in Services import of services to Hungary from the World	Total services imports	The import of services increased by 6.7% in the Jan-Dec period of 2022 over the same period of 2021 from USD 20.2 bln to USD 21.5 bln.
		Travel Services	The service group experienced a 64.3% growth in the Jan-Dec period of 2022 over the same period of 2021 to USD 2.4 bln. It represents 11.1% of service imports to Hungary.
		Business and management consulting and public relations services	The service group experienced a <i>decrease</i> of 9.8% in the Jan-Dec period of 2022 over the same period of 2021 to USD 1.9 bln. It represents 9.1% of service imports to Hungary.
		Provision of customized and non-customized research and development services	The service group experienced a <i>decrease</i> of 7% in the Jan-Dec period of 2022 over the same period of 2021 to USD 688.1 mln. It represents 3.2% of service imports to Hungary.
		Engineering services	The service group experienced a <i>decrease</i> of 2.1% in the Jan-Dec period of 2022 over the same period of 2021 to USD 398.3 mln. It represents 1.9% of service imports to Hungary.
		Accounting, auditing, bookkeeping and tax consultancy services	The service group experienced a <i>decrease</i> of 8.6% in the Jan-Dec period of 2022 over the same period of 2021 to USD 108.7 mln. It represents 0.5% of service imports to Hungary.
3.	Investment	Bilateral investment	
		Global investment	

1.	Liberty Steel Group plans to switch to green steel production at Dunaferr	Current management and the liquidator decided to temporarily shut down blast furnace No. 2 and to reduce the coking plant operations to a minimum technological level, due to the challenging market conditions in Europe. Also executives stressed that the aim is to make the ironworks operations sustainable and fit for a green future for the benefit of all concerned, once the relevant EU regulatory approval has been obtained. Liberty Steel also reassured workers that salaries are being paid while appropriate retraining and upskilling programmes are being developed. The planned shutdown of the blast furnace is expected to last for three months. The steelworks has also shut down with the hot-rolling mill to be shut down intermittently following the roll-out of the currently available stock. The senior executives said they agree with the liquidator and the company's management that the company must be prepared to effectively manage the extremely challenging European market conditions. The situation is characterized by high levels of foreign steel imports into the EU and high energy prices, which are only exacerbated by the additional costs of meeting EU carbon emissions requirements
2	Battery processing plant gets Ft 5bn in state support (Appx EUR 39 mln mln)	Foreign Affairs and Trade Minister Peter Szijjarto said that Slovenian company Andrada plans to build a battery processing plant in northeast Hungary also informing that the Ft 15 bln (Appx EUR 39 mln) investment is supported by the state with Ft 4.7 bln (appx EUR 12 mln) , and that he expects 200 new jobs to be created. Andrada is building the world's most modern technology battery recycling plant in Alsószolca, in the largest Slovenian investment in Hungary of all time.
3	IBM closing storage server production plant in Vac	IBM is closing its manufacturing plant in Vac, as it is shifting production of storage servers to Guadalajara Mexico. The Hungarian subsidiary, IBM Data Storage Systems (DSS), will cease to exist and will not have a successor. The company had 448 workers at the Vac plant at the end of 2022. Employees will receive a severance package in line with industry standards and legal requirements it was said. The proposed relocation of production is the result of IBM constantly reviewing the most efficient way to manufacture its products, the company said.
4	Vehicle lab and test track planned for Debrecen (EUR 11.4 mln)	A vehicle laboratory and a mini test track will be built by 2024 in the University of Debrecen Science, Technology and Innovation Park in connection with the educational and innovation developments of the Debrecen Automotive Centre, at a planned cost of Ft 4.4 bln (EUR 11.4 mln) of government funding. The Innovation Park is currently the only one in the country which, in addition to research, development, consultancy and service activities, also offers the practical side of education and provides an internationally significant innovation technology platform. The new multi-functional training and Research and Development laboratory will play a central role in the development of training related to the region's automotive investments by such companies as BMW, Vitesco, Schaeffler, CATL, Semcorp and Eve Power. The new facility will house vehicle, mechatronics and robotics laboratories, vehicle assembly workshops and classrooms for smaller courses. A test track will also be set up in the designated area, as well as fuel storage tanks.

5	SungEel battery processing plant suspended indefinitely	The Nograd county government office suspended the operation of the South Korean-owned SungEel Hitech Hungary battery processing plant in Batonyterenye for an indefinite period, after finding that the company has repeatedly violated regulations on operations and waste management. The government provided Ft 2.8 bln (appx EUR 7 mln) in grants for the Ft 9.3 bln (appx EUR 24 mln) investment, which was completed in July 2021. The plant started operating without a disaster management permit two years ago and hazardous materials were stored improperly. The government office had fined the company six times to a total of nearly Ft 100 mln (appx EUR 260,000). Work can now restart only if SungEel creates the conditions for legal operations. Among other things, it must sort out the situation of an excess of-stored waste, The company's other plant, in Szigetszentmiklos, has also been fined several times for serious hazards to workers. There have also been fatal accidents there and the plant has processed more waste than authorised.
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b. Opportunities for investments/ assets on offer/major company divestment:

S.No	Sector Name	Particulars of the asset /company	Contact details
1.		NIL at the time of the report	

http://www.investhipa.hu/index.php?option=com_iproperty&view=allproperties&itemid=955

c. information on tender Notices for projects and procurements of interest to Indian project exporters/ suppliers (USD15 mln & above)

- The Hungarian Public Procurement authority is the official body for public procurement tenders: <http://www.kozbeszerzes.hu/english/>, <https://ekr.gov.hu/>
- European union Tenders electronic Daily, the main official database of English language public procurement tenders from Hungary: <https://ted.europa.eu/TED/search/search.do>
- Tenders may be also found on the Procurement Map, which provides detailed information for public tenders and contract awards. <https://procurementmap.intracen.org/>
- Tenders up from € 15 mln uploaded on the India Trade Portal /www.indiantradeportal.in

S.No.	Tender/ procurement notice No and date	Sector	Value of tender/ procurement
1	Hungary-Budapest: Geophysical surveys of archaeological sites 2023/S 146-466873 Address: Magyar Nemzeti Múzeum 1088 Budapest Múzeum Korut 14-16 Contact person: Viragos Gabor E-mail: viragos.gabor@mnm.hu Telephone: +36 13277700 Issue date: 01/08/2023 Opening of Tender: 31/08/2023 Link: https://ted.europa.eu/udl?uri=TED:NOTICE:466873-2023:TEXT:EN:HTML&src=0 Uploaded on Trade Portal on 11 Aug 2023	Archaeology	Value HUF 1.5 bln HUF or appx 3.9 mln EUR or appx 4.2 mln USD

- Trade Queries for imports/ exports (if not uploaded on the Indian trade portal).
For the month the Mission received 53 trade inquiries from India and 0 from Hungary

Indian Trade inquiries

S. No	enquiry originator	Product with HS codes		Nature import/ export)	Value (US\$ mln)	Action Taken (Max.200 words) (List of companies sent)
1	Erika Rugs	5702	home textiles	Export		Query received:

						01/08/23 Query answered: 01/08/23
2	Ambuja rope industries	56079090	Ropes	Export		Query received: 01/08/23 Query answered: 01/08/23
3	Mansa Exports		Agro: vege, spice	Export		Query received: 01/08/23 Query answered: 01/08/23
4	Global Exportise	95079090	Sports equipment	Export		Query received: 01/08/23 Query answered: 01/08/23
5	Three Impex		Solar power	Export		Query received: 02/08/23 Query answered: 02/08/23
6	Trimphal International	3301, 4820, 4823, 4802	Miscellanaous	Export		Query received: 02/08/23 Query answered: 02/08/23
7	VIONA FIBC		Plastic bags	Export		Query received: 03/08/23 Query answered: 04/08/23
8	Ridesh International		Food: Honey	Export		Query received: 04/08/23 Query answered: 04/08/23
9	Ayesha Adnan International		Agro: spice, packaging	Export		Query received: 03/08/23 Query answered: 04/08/23
10	Giriraj Agro and Natural Honey		Food: Honey	Export		Query received: 03/08/23 Query answered: 04/08/23
11	Allies Overseas		Agro: rice, vege	Export		Query received: 07/08/23 Query answered: 07/08/23
12	Sander Export		Agro: sesame seeds	Export		Query received: 08/08/23 Query answered: 08/08/23
13	Reya International	300490	Pharmaceuticals	Export		Query received: 08/08/23 Query answered: 09/08/23
14	Sanraj International		Footwear	Export		Query received: 08/08/23 Query answered: 09/08/23
15	Srubs Overseas		Stones, fruits	Export		Query received: 10/08/23 Query answered: 10/08/23
16	Marblify		Stones	Export		Query received: 10/08/23 Query answered: 10/08/23
17	Aaniryat Overseas		Auto components	Export		Query received: 10/08/23 Query answered:

					10/08/23
18	Panthera Exim		Ceramic tiles	Export	Query received: 10/08/23 Query answered: 10/08/23
19	Mohit Agrawal and Sons		Agro: vegetables, animal feed	Export	Query received: 11/08/23 Query answered: 11/08/23
20	Superfit Engineering		Engineering: Steel and metal	Export	Query received: 11/08/23 Query answered: 11/08/23
21	Groimpex		Agro: vegetable	Export	Query received: 14/08/23 Query answered: 14/08/23
22	Shobha Rawat		Agro: nuts	Export	Query received: 14/08/23 Query answered: 14/08/23
23	Ocean Agro Impex		Agro: vege, spice, rice, etc	Export	Query received: 14/08/23 Query answered: 14/08/23
24	Shadhna Multipack Solution	39239090 / 48191010 / 39201012 / 39202020	Packaging	Export	Query received: 16/08/23 Query answered: 16/08/23
25	Accentortech Industries		Construction materials	Export	Query received: 16/08/23 Query answered: 16/08/23
26	BYCCS		Miscellanaous	Export	Query received: 16/08/23 Query answered: 16/08/23
27	Tileswale		Ceramic tiles	Export	Query received: 17/08/23 Query answered: 17/08/22
28	Maredia		Kitchenware	Export	Query received: 17/08/23 Query answered: 17/08/22
29	Reya International		Miscellanaous	Export	Query received: 20/08/23 Query answered: 21/08/23
30	Satnaam Exim		Agro: vegetable	Export	Query received: 20/08/23 Query answered: 21/08/23
31	Mepal International	6907	Ceramic tiles	Export	Query received: 20/08/23 Query answered: 21/08/23
32	Energetic Overseas India		Incense sticks	Export	Query received: 20/08/23 Query answered: 21/08/23
33	Sander Export		Agro: sesame seeds	Export	Query received: 21/08/23 Query answered: 21/08/23

34	Ren and Ash international	680223	Stones	Export	Query received: 21/08/23 Query answered: 21/08/23
35	RPS Industries		Engineering goods	Export	Query received: 21/08/23 Query answered: 21/08/23
36	Eastern Exim Trading		Agro: vegetable	Export	Query received: 22/08/23 Query answered: 22/08/23
37	Shree Krishna Krishi Udhog	31010099	Agriculture: vermicompost	Export	Query received: 22/08/23 Query answered: 22/08/23
38	Monostone International	6907.	Ceramic tiles	Export	Query received: 22/08/23 Query answered: 22/08/23
39	Maxx Ortho		Medical: Ophthalmic products	Export	Query received: 23/08/23 Query answered: 23/08/23
40	Aar ess enterprises	85043100	Engineering: current transformers	Export	Query received: 24/08/23 Query answered: 24/08/23
41	AB Prime		Ceramic tiles	Export	Query received: 25/08/23 Query answered: 25/08/23
42	Chhhatariya Dehydrates Onion Exports		Agro vegetables	Export	Query received: 25/08/23 Query answered: 25/08/23
43	La Aroma Exim		Agro: vege, fruit, spices	Export	Query received: 25/08/23 Query answered: 25/08/23
44	Ape Overseas	34029099	Chemicals: detergents	Export	Query received: 28/08/23 Query answered: 28/08/23
45	Genesis Gobal Impex		Medical devices, surgical tools	Export	Query received: 28/08/23 Query answered: 28/08/23
46	Agera Worldwide Enterprise		Chemicals	Export	Query received: 29/08/23 Query answered: 29/08/23
47	Tynor Orthotics		Medical products	Export	Query received: 29/08/23 Query answered: 29/08/23
48	Gyan Flavours Export		Essential oils	Export	Query received: 29/08/23 Query answered: 29/08/23
49	Genesis gobal impex		Medical devices	Export	Query received: 29/08/23 Query answered: 29/08/23
50	Plicare Material Handling		Engineering: lifting machinery and equipment	Export	Query received: 30/08/23

						Query answered: 30/08/23
51	Auctave Automation		Textiles	Export		Query received: 30/08/23 Query answered: 30/08/23
52	mfyvent Projects		Agro: rice	Export		Query received: 30/08/23 Query answered: 30/08/23
53	Parishit Products		Plastics: Household items	Export		Query received: 31/08/23 Query answered: 31/08/23

Hungarian Trade enquiries

Enquiry originator	Product with HS codes	Nature import/ export)	Value (US\$ mln)	Action Taken (Max.200 words) (List of companies sent)
	Nil at the time of the report			

E. Important India related statements of commercial significance by political leaders, think tanks, chambers, associations etc. / Significant stories/features on India related trade, investment, services and logistic sector, published in foreign journals/dailies, etc.:
(Max. 500 words)

Nil

C. Tourism

(a) Tourist Visa issued: AUGUST 2023

S. No	No. of Tourist Visa issued during the month	No. of Tourism Visa issued during the same month last year	No. of tourist Visa issued cumulatively during the year (2023 Jan->)	No. of Tourist Visa issued cumulatively during the last year (2022 Jan->)
1	1	2	26	41

(b) Indian tourism Promotion events held/organized

S. No	Details of event	Theme	Avg. No. of Participation
1	NIL		

(c) use of Social Media/Print/Media/electronic Media for Promoting Tourism:

Activity	Print	Electronic (*)	Instagram	Facebook	Twitter	Youtube	Any other
No. of posts	Na	Na	0	7	7	Na	Na

No. of impressions	-	-	-	2837	-	-	-
No. of Likes	-	-	-	23	2	-	-

(d) any advisory issued by the country for travelling to India (230 char):

s.No.	advisory	Reason	action taken
1	NIL at the time of the report More details available at: https://konzinfo.mfa.gov.hu/utazasi-tanacsok-orszagonkent/india	-	With effect from 16 Mar 16 2022 regular visa services have been restored.

(e) interactions held with Tour operators for promoting tourism in India

S.No.	Tours operator	No. of interactions held
1	SS(COM&HOC) had a meeting on 23 rd August with Ms. Edit Oskó Egypt Air sales representative and former Flying Wings tour operator and Mr. Ferenc Borbély film producer (E: belottibt@gmail.com Tel +3630 5896160) discussing subject of making a film on Goa.	1

(f) any other information (3000 char)

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D. Transfer of Technology to India

(a) New Technology identified/covered in Press:

S.No.	Name of Technology	Details (500 char)	usage (Short desc)	Sector	Company
Nil					

(b) any interest received from Foreign Companies for Technology Transfer:

S.No.	Name of Company	Sector	Details
Nil			

(c) any query received from Indian company seeking technological solutions:

S.No.	Name of Technology	Sector	Details
Nil			

(d) any science/technology exhibition held:

S.No	Details	Sector	Participation	Participation from India
Nil				

(e) any press coverage on new patents / designs / IPR filed / granted:

S.No.	Name	Date	Sector	Name of applicant
Nil				

(f) any other information (250 char)

NIL

E. Details of trade research, Information dissemination activity of the commercial wing

S.No.	Nature of activity (trade research, Information dissemination, seminars etc)	Details of Seminar/ conference (date/ venue, no of participants) or research (Max.200 words)	Details of trade research (title of the report, executive summary, date of publication) (Max.200 words)
1	Information dissemination	Digital Public Infrastructure Approach	Information was circulated on 02 Aug to Cabinet Office of Prime Minister of Hungary, Ministry of Culture and Innovation and Technology (KIM), Ministry of Foreign Affairs and Trade (MFAT), Hungarian Chambers of Commerce and Industry (HCCI), Hungarian Investment Promotion Agency (HIPA), Hungarian Export Promotion Agency (HEPA), Association of IT companies (IVSZ)
2	Information dissemination	14th Global Conference on Empowering Women Entrepreneurs to Global business opportunities Jan 2024	Information was circulated on 03 Aug to Ministry of Foreign Affairs and Trade (MFAT), Hungarian Chambers of Commerce and Industry (HCCI), Hungarian Investment Promotion Agency (HIPA), Hungarian Export Promotion Agency (HEPA), Association of IT companies (IVSZ), National Association of Entrepreneurs (VOSZ), Professional Women's Association. Placed on Website
3	Information dissemination	World food India 03-05 Nov 2023	Information was circulated on 10 Aug subsequently an invitation forwarded to Minister of Agriculture, information sent to Ministry of Foreign Affairs and Trade (MFAT), Hungarian Chambers of Commerce and Industry (HCCI), Hungarian Investment Promotion Agency (HIPA), Hungarian Export Promotion Agency (HEPA), Association of IT companies (IVSZ), Placed on Website
4	Information dissemination	India Carpet Expo 08-11 Oct	Information was circulated on 10 Aug to Ministry of Foreign Affairs and Trade (MFAT), Hungarian Chambers of Commerce and Industry (HCCI), Hungarian Investment Promotion Agency (HIPA), Hungarian Export Promotion Agency (HEPA), Association of IT companies (IVSZ), Placed on Website
5	Information dissemination	Mobile Congress 27-29 Oct 2023	Information was circulated on 11 Aug to Ministry of Agriculture (AM), National Chamber of Agriculture (NAK), various Agro Associations Ministry of Foreign Affairs and Trade (MFAT), Hungarian Chambers of Commerce and Industry (HCCI), Hungarian Investment Promotion Agency (HIPA), Hungarian Export Promotion Agency (HEPA), Association of IT companies (IVSZ), Placed on Website
6	Information dissemination	Tender: BHEL 300MW AC Capacity Floating Solar Power Project	Information on the event was circulated on 25 Aug to Ministry of Foreign Affairs and Trade (MFAT), Hungarian Chambers of Commerce and Industry (HCCI), Budapest Chamber of Commerce and industry (BCCI), Hungarian Investment Promotion Agency (HIPA), Hungarian Export Promotion Agency (HEPA), Hungarian National Association of Machinery and Power Engineering (MAGEOSZ), Information on the event was placed on the website of the Mission.
7	Information dissemination	IndiaSoft 17-19 Jan 2024 New Delhi	Information was circulated on 28 Aug to Ministry of Foreign Affairs and Trade (MFAT), Hungarian Chambers of Commerce and Industry (HCCI), Hungarian Investment Promotion Agency (HIPA),

			Hungarian Export Promotion Agency (HEPA), Association of IT companies (IVSZ), placed on the website of the Mission
8	Information dissemination	Rail India 27 Oct 2023	Information was circulated on 28 Aug to Ministry of Foreign Affairs and Trade (MFAT), Hungarian Chambers of Commerce and Industry (HCCI), Hungarian Investment Promotion Agency (HIPA), Hungarian Export Promotion Agency (HEPA), Association of IT companies (IVSZ), Hungarian Railways MAV, placed on the website of the Mission
9	Information dissemination	Agrimach India 30 Nov-3 Dec 2023	Information was circulated on 28 Aug to Ministry of Agriculture (AM), Ministry of Foreign Affairs and Trade (MFAT), Hungarian Chambers of Commerce and Industry (HCCI), Hungarian Investment Promotion Agency (HIPA), Hungarian Export Promotion Agency (HEPA), Association of IT companies (IVSZ), Hungarian Railways MAV, placed on the website of the Mission

F. Details of activities conducted out of Trade promotion budget:

BE for current financial year (2023-24) Rs	RE for current financial year	amount utilised	Details of activity (Max.200 words)
300,000			
	Total Rs:	NIL	

G. Action taken on the previous JWG, Joint Commissions, Sub-Commissions etc. (issues that Mission had to follow up with host government):

S.No.	Detail of JWG/JEC with date and venue	Action Point (Max. 200 word)	Action Taken (Max. 200 words)
1	11 th India-Hungary Joint S&T Committee Meeting [online] held on 29 July 2020, hosted by NRD office, Hungary education, cultural relations -apart from multilateral and regional issues	-Future cooperation possibilities 7 joint projects were identified in the fields of energy, environment, Water, Biotech, Agriculture, Food, with other 4 potential projects under discussion. Also discussed was the -Eli Alps laser research centre -Broader areas of cooperation	Mission informed of areas of possible cooperation in the field of digitalization, pharma, film production, renewable energy, solar energy, water management, agricultural and food processing, health/medical devices, digital technologies, AI, etc.
2	6 th JCEC Meeting 17-18 Oct 2022	1. Trade and investment 2. Agriculture 3. Collaboration between HAKI and ICAR 4. Water Management 5. Culture and Tourism 6. Science and Technology 7. Digital Technology 8. Energy 9. Education 10. Food processing 11. Health Industry 12. Pharmaceuticals and Medical Devices	The 6th Session of the India-Hungary Joint Commission on Economic Cooperation (JCEC) was held in Budapest on 17-18 Oct 2022. The Indian delegation was led by Mr. Rajendra Ratnoo, Joint Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry. He was accompanied by Mr. Y.P. Deval, Director, DoC, Ministry of Commerce & Industry, Mr. Shatrughna Sinha, Director (CE), Ministry of External Affairs (MEA) and Ms. Sunaina Khanna, Sr. Manager, Invest India. The JCEC took place in the Ministry of Foreign Affairs and Trade where discussions were held on 17th October 2022 with experts and counterparts. Ms. Martina Laura Kasnyik,

			<p>HoD, Department for Joint Economic Commission, Ministry of Foreign Affairs & Trade led the Hungarian side.</p> <p>At the Experts' Level meeting, Hungarian and Indian experts discussed areas of trade cooperation, policy reforms, business environment, ease of doing business, cooperation in various fields like agriculture, finances, science & technology etc. The meeting was held in hybrid format in which some experts from both sides could join online also. From the Indian side, delegates from from the Ministry of Commerce & Industry, New Delhi, ICAR, and Ministry of Information Technology (MeITY) as well as representative from the Embassy of Hungary, New Delhi joined. From the Hungarian side also there were representatives from various departments and concerned institutions. The discussions were completed in a friendly and congenial atmosphere. Both sides agreed on the need to further deepen cooperation in areas of mutual interest.</p> <p>Followed by a brief panel discussion between the two sides, the final Protocol was signed by H.E. Mr. Peter Sztaray, State Secretary for Security Policy and Energy Security, Ministry of Foreign Affairs and Trade and Mr. Rajendra Ratnoo, Joint Secretary, DPIIT on 18th October 2022. The Indian delegation met with investors and some members of the Indian business community in Hungary on the evening on 17th October. Mr. Ratnoo give a brief overview of the business environment in India, the policy initiatives of the Government of India and the economic growth and prospects of India. He mentioned several schemes open for investors to take advantage of in India like the Make in India initiative, Smart Cities, New Logistics Policy, Atma Nirbhar Bharat, PM Ghati Shakti, productivity Linked incentive schemes etc. The delegation also had a meeting with HIPA on 18th afternoon where they discussed ideas how to enhance investments and promote cooperation between the two countries.</p>
3.	1 st JWG on Water	<p>Six areas of priority for cooperation were identified and agreed upon namely, Management of extreme Phenomenon, Exploration and management of ground water, Rejuvenation of rives and water bodies, Mitigation of impact of climate change on water resources, protection and preservation of the quality of water resources, and training and capacity building.</p>	<p>The 1st JWG meeting was held in Delhi on 25-27 April 2023. A Working Programme plan for Bilateral Cooperation for the period 2023-2025 was signed during the event (on 25 April).</p>

H. Complaints from foreign buyer/supplier on Quality and trade dispute:

Name of Indian exporter/importer	Address & contact of foreign buyer/supplier	Brief description of complaint (240 char)	The authority to whom the matter was referred and the date on which the matter was referred.	any outcome (200 char)

i. Complaints of Indian exporter/importer:

Name of Indian exporter/importer	Address & contact of foreign buyer/supplier	Brief description of complaint (240 char)	The authority to whom the matter was referred and the date on which the matter was referred.	any outcome (200 char)
Nil at the time of the report				

J. Any other issue of importance (Max. 3000 characters)

1. Hungary in longest recession in 20 years: Economic output in the second quarter fell far short of analysts' projections, as GDP was down 2.4% year-on-year, and shrank by 0.3% from the previous quarter, the KSH said in a preliminary estimate. Analysts expected results to show a 1.3% fall on a yearly basis and 0.3% growth on a quarterly basis. The fourth consecutive quarterly contraction constitutes the longest recession since the KSH began using its current methodology in 1995. The annualised data was the weakest since the end of 2020, the first year of the pandemic. The workday-adjusted GDP was 2.3% lower, year-on-year. First-half GDP was 1.7% lower than in the first six months of 2022. On an annual basis, the Hungarian economy was the third-worst performer in the EU. The KSH said in a short note that industry and market-based services, mainly transport, warehousing and trade, contributed to the overall decline, which was moderated by the good performance of the agriculture sector. Following the data release, analysts lowered their economic growth projections for 2023 and said the government's 1.5% target looks increasingly unrealistic, and recession for the full year seems inevitable.

2. Passenger traffic rising at Liszt Ferenc Airport: Passenger traffic at Liszt Ferenc International Airport reached nearly 1.5 mln in July, operator Budapest Airport announced. According to the statement, 8.2 mln passengers were served between January and July, 24% more than in the same period in 2022 and more than in the whole of 2021. July was the fifth month in a row in which passenger numbers exceeded one mln. The number of passengers registered so far this year is 9.2% below the record year of 2019, and it is expected that the total annual passenger traffic will exceed 14.3 mln. If this trend continues, a full recovery of pre-pandemic passenger numbers is expected by the end of 2024. Air freight volumes in the first seven months of the year were 4.7% down on the same period last year, but the 16,390 tonnes handled in July were some 12% up on the same period of 2022. Based on the 107,000 tonnes of air cargo handled so far in 2023, the airport can expect another record year. Budapest Airport said the development of BUD Cargo City will allow it to handle up to 300,000 tonnes of cargo per year.

3. Average Monthly exchange rates AUGUST 2023

1US\$= 352.9620 HUF

1EUR= 384.8410 HUF

Source: Hungarian National Bank www.mnb.hu, <https://statisztika.mnb.hu/adatok-idosorok>

**EMBASSY OF INDIA
BUDAPEST**

**ECONOMIC AND COMMERCIAL REPORT
FOR THE MONTH of AUGUST 2023**

REPORTING PROFORMA FOR COMMERCIAL WINGS

(Data Source: international Trade Centre: Calculations based on Eurostat statistics <http://www.intracen.org>,
<http://www.Trademap.org>)

Name of the Mission (Country): Embassy of India, Budapest

I. MONTHLY REPORT FOR BOSNIA AND HERZEGOVINA

A. Trade in goods

(i)
Quantitative Data

(a) Total trade in goods during

1	2	2	0	2	2
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	Export (US\$ mln)	Import (US\$ mln)	Status (P) Provisional/ (F) Final
Country's trade with India	0.2	19.5	F
Country's total global trade	761.2	1325.9	F

(Source: international Trade Centre: Calculations based on Eurostat statistics <http://www.Trademap.org>)

(b) Preferential trade in goods during

1	2	2	0	2	2
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S.No	Preferential / Free Trade agreement with India	Preferential imports from India (US\$ mln)	Preferential imports from World (US\$ mln)
1	N/a		

(Source: Customs/National Trade Statistics of reporting country)

S.No	Preferential / Free Trade agreement with India	Preferential exports to India (US\$ mln)	Preferential exports to World (US\$ mln)
1	N/a		

(Source: based on Certificate of origin issued by reporting country)

(c) Top 10 items of import from India during

1	2	2	0	2	2
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S. No.	Commodity (6 digit HS tariff line)	Value (US\$ mln)	Quantity (1000 kgs)	Unit of Measurement	% share in total import of the commodity globally
1	760110 Aluminium, not alloyed, unwrought	5.9		Kgs	21.1%
2	251611 Granite, crude or roughly trimmed (excluding already with the characteristics of setts, curbstones ...)	1.8		Kgs	94.1%
3	090111 Coffee (excluding roasted and decaffeinated)	1.5		Kgs	30.7%
4	851713 Smartphones for wireless networks	1.3		Kgs	21.6%
5	760511 Wire of non-alloy aluminium, with a maximum cross-sectional dimension of > 7 mm (excluding ...)	.8		Kgs	14.1%
6	690721 Ceramic flags and paving, hearth or wall tiles, of a water absorption coefficient by weight8		Kgs	24.2%
7	390761 "Poly"ethylene terephthalate", in primary forms, having a viscosity number of >= 78 ml/g"	.6		Kgs	43.4%
8	401180 New pneumatic tyres, of rubber, of a kind used on construction, mining or industrial handling5		Kgs	44.1%
9	841490 Parts of: air or vacuum pumps, air or other gas compressors, fans and ventilating or recycling5		Kgs	18.6%
10	790111 Unwrought zinc, not alloyed, containing by weight >= 99,99% of zinc	.4		Kgs	44.7%

(Source: international Trade Centre: Calculations based on Eurostat statistics <http://www.Trademap.org>)

(d) Top items of export to India during

1	2	2	0	2	2
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S. No	Commodity (6 digit HS tariff)	Value USD mln	Quantity 1000 kgs	unit
1	440792 "Beech ""Fagus spp.""", sawn or chipped lengthwise, sliced or peeled, whether or not planed, ...	0,000		Kgs
2	410150 "Whole raw hides and skins of bovine ""incl. buffalo"" or equine animals, whether or not dehaired ...	0,034		Kgs
3	480421 Unbleached sack kraft paper, uncoated, in rolls of a width > 36 cm (excluding goods of heading ...)	0,030		Kgs
4	790700 Articles of zinc, n.e.s.	0,030		Kgs
5	842199 Parts of machinery and apparatus for filtering or purifying liquids or gases, n.e.s.	0,016		Kgs
6	284210 Double or complex silicates of inorganic acids or peroxyacids, incl. aluminosilicates whether ...	0,015		Kgs
7	510119 Greasy wool, incl. fleece-washed wool, neither carded nor combed (excluding shorn wool)	0,008		Kgs
8	842123 Oil or petrol-filters for internal combustion engines	0,004		Kgs
9	903180 Instruments, appliances and machines for measuring or checking, not elsewhere specified in ...	0,003		Kgs
10	841490 Parts of: air or vacuum pumps, air or other gas compressors, fans and ventilating or recycling ...	0,001		Kgs

(Source: international Trade Centre: Calculations based on Eurostat statistics <http://www.Trademap.org>)

(e) Potential products of imports from India (Dec 2022)

S.No	Commodity (6 digit HS tariff line)	Rationale (Max.200 words)
1	*60110 Aluminium, not alloyed, unwrought	Total BiH imports for the month were in the value of USD 28.1 mln while imports from India were USD 5.9 mln

2	760120 Unwrought aluminum alloys	Total BiH imports for the month were in the value of USD 14.5 mln while imports from India were NIL.
3	300490 "Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, ...	Total BiH imports for the month were in the value of USD 21.1 mln while imports from India were USD 0.2 mln.
4	870332 Motor cars and other motor vehicles principally designed for the transport of persons,	Total BiH imports for the month were in the value of USD 23.4 mln, while imports from India were NIL.
5	740811 Wire of refined copper, with a maximum cross-sectional dimension of > 6 mm	Total BiH imports for the month were in the value of USD 12.6 mln, while imports from India were NIL.

(Source: international Trade Centre: Calculations based on Eurostat statistics <http://www.Trademap.org>)

(ii)

Qualitative Feedback

Market access alerts (attach copy of notification):

BiH is a member of Central European Free Trade Agreement (CEFTA). No specific market access alerts for India.

Ministry of Foreign Trade and economic Relations of BiH, Department of Foreign Trade Policy and Control and Protection Measures deals with such issues. Information may be accessed on the following links:

- <http://www.mvteo.gov.ba/>
- <http://www.mvteo.gov.ba/search/Results?searchTerm=India>
- <http://www.mvteo.gov.ba/Search/Results?searchTerm=customs>

Published date	Title	Category
1/10/2020	Decision on the Determination of the Customs Tariff for 2020 (official Gazette of BiH no. 85/19)	Customs tariff

Regulations on VAT and Customs may be found at the website of the indirect Taxation authority of BiH

- <http://www.new.uino.gov.ba/en>

a. Alerts on customs tariff changes:

(Top 10 items of import from India)

S.No.	Notification no. and date	HS code	Description	Original customs tariff	Present customs tariff	Effective from	Remarks if any
Nil at the time of the report							

Source: Market access Map <https://www.macmap.org/en>

b. Alerts on non-tariff measures (SPS/TBT/ import and export procedures/ restrictions/ prohibitions, licensing/ STEs etc.)

S.No	Notification no./ date	Measure	HS Codes	effective from	Remarks if any
NIL at the time of the report					

c. Alerts on standards, technical regulations and conformity assessment procedures:

S.No.	Notification no./ date	Standard/ technical regulation/ conformity assessment procedure	HS Codes	effective from	Remarks if any
NIL at the time of the report					

d. Alerts on trade defense measures taken by respective country:

(Safeguards including special safeguard, antidumping, CVD or anti-subsidy)

S.No.	Notification no., date or other	Type (initiation, final, prov., sunset, consultations, new	Details of products/ sectors affected	effective from	Remarks if any
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	references	shipper review)	(including HS codes)		
NIL at the time of the report					

- e. Alert on services, regulatory regime, qualification requirement, licensing procedures, visa regime, barriers etc.

S.No.	Notification no., and date or other references	Service sectors affected	Modes	effective from	Remarks if any
NIL at the time of the report					

Tariff and Non-Tariff Barriers to Trade:

import Tariffs: The tariff rate on imports averages a comparatively low 1.1% of the value of goods (for international trade), which is the lowest figure regionally and third lowest figure in the whole emerging Europe region. Bosnia's import tariffs are harmonised each year with the combined nomenclature of EU and legislative regulations.

Anti-dumping and countervailing duties: in 2009 Bosnia introduced a law for the protection of domestic products against imports from Croatia and Serbia.

The law stipulates that safeguard measures were necessary owing to the influx of imports and the dumping of particular agricultural products from Croatia and Serbia, as well as a conceivable decrease in exports from Bosnia to Serbia.

Customs and Non-tariff Barriers: as a result of BiH not having EU member status event though the majority of its trading partners are EU member states, export and import supply chains will face more onerous border and documentary times and costs when compared with those of EU states.

The most salient risk is the high cost associated with import border compliance processes, which is higher than that of countries such as North Macedonia and contributes towards Bosnia's status as regional under performer in relation to customs burdens.

Businesses operating in BiH face a high import burden as infrastructural development, industrial capacity and diversification remains weak because of a dearth of fixed capital formation and a lack of political resolve in the country. Imports are driven by the country's need for complex machinery and its energy requirements, such as oil and gas, as well as metals and manufactured goods that cannot be produced locally.

To spur trade, Bosnia has exempted tariff payments from certain equipment that is being imported as part of share capital, with the exceptions of passenger vehicles and slot or gambling machines. To enjoy this benefit, foreign investors must submit a written request to the appropriate customs authority, along with evidence of the investment arrangement and registration of the foreign share. Alternatively, imports into one of Bosnia's four free trade zones are exempt from customs duties and fees. These zones can be found at Vogosca, Visoko, Mostar and Holc Lukavac and clearly mitigate cost risks for businesses seeking to trade internationally with Bosnia.

Bosnia has applied to join the EU, and accession would open up trade, investment and growth opportunities for the economy. The country has already made good strides in establishing free trade and preliminary agreements to speed up the process of EU accession although, political instability threatens the prospect of EU membership in the medium term. Bosnia is also currently discussing the possibility of the creation of a Western Balkans Customs union with its South eastern-Europe counterparts.

(iii) Other Feedback

a.) Feedback from major Indian industries/other commercial concerns and Indian trade visitors to that country

S.No.	Name of business house	Activity sector	Trade barrier issues if any (incl. HS codes)	General Feedback (Max.200 words)
NIL at the time of the report				

b.) Feedback on major trade activities **including logistic events** (trade fairs/BSM including Indian participation)

S. No.	Activity (trade fair, BSM etc.)	Date and venue	Number of participants from India	Name(s) of large/ key participants from India	Feedback received (Max.200 words)	Source of funding (MAI T/ATC)
1	International Conference on Medical and Biological Engineering	14 - 16 Sep 2023 Ilidža	Na	Na	-	Na
2	International Tourism and Hospitality Management Congress	18 - 22 Oct 2023 Virtual Event	Na	Na	-	Na

c.) Feedback from local commercial visitors to trade fairs in India, including under BSM; nr of Business Visas issued:

S.No.	Activity (trade fair)	Date and venue	Number of participants from the relevant country	List of large/ key participants from the relevant country	Number of Business Visas issued	Feedback received (Max.200 words)
NIL at the time of the report					0	

(iv) Any other submission (3000 char):

Number of tourist arrivals in Federation of Bosnia and Herzegovina (FBiH) in July 2023 amounted to 157,602, which is 20.6% more compared to July 2022, and compared to June 2023, the number of tourist arrivals was 33.5% higher. The ratio of domestic tourists is 20.6%, and foreign tourists 79.4%. The total number of overnight stays by tourists in July 2023 was 353,815, which is 14.8% more compared to July 2022, and compared to June 2023. The most overnight stays were made by tourists from Saudi Arabia (12.7%), Turkiye (9.4%), the United Arab Emirates (seven%), Croatia (5.1%) and Germany (4.8%) which is a total of 39%. Tourists from other countries accounted for 61%.

B. Trade and investment:

Foreign investment Promotion agency (FIPA) provides a database of investment projects in BiH
www.fipa.gov.ba

Delegation of the European union to BiH Tenders (Europeaid tenders): http://europa.ba/?page_id=320

a.) Significant trends in trade and investment

(Sources: international Trade Centre: Calculations based on Eurostat statistics <http://www.Trademap.org>)

S. No.	Category	Details of significant trends (Max.200 words)	analysis (Max. 200 words)
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1.	Trade in Goods BiH imports from India	Total imports	The value of imports from India increased by 221.3% considerably in the Jan-Dec period of 2022 over the same period of 2021 reaching USD 447.8 mln.
		7601 unwrought aluminium	The product group increased considerably in the Jan-Dec period of 2022 over the same period of 2021 to USD 332.1 mln. It represents 74.2% of imports from India to BiH.
		0901 Coffee, whether or not roasted or decaffeinated	The product group increased by 86.6% in the Jan-Dec period of 2022 over the same period of 2021 to USD 16.2 mln. It represents 3.6% of imports from India to BiH.
		2516 Granite, porphyry, basalt, sandstone and other monumental or building stone, whether or not ...	The product group increased by 141% in the Jan-Dec period of 2022 over the same period of 2021 to USD 7.2 mln. It represents 1.6 % of imports from India to BiH.
		8517 Telephone sets, incl. telephones for cellular networks	The product group increased considerably in the Jan-Dec period of 2022 over the same period of 2021 to USD 6.8 mln. It represents 1.5% of imports from India to BiH.
		8414 Air or vacuum pumps	The product group increased by 5.8% in the Jan-Dec period of 2022 over the same period of 2021 to USD 8.3 mln. It represents 1.8% of imports from India to BiH.
2.	Trade in Services: Import of services to BiH from the World	Total Service types	The import of services increased by 21.8% in the Jan-Sept period of 2022 over the same period of 2021 from USD 543.4 mln to USD 661.9 mln.
		Commercial services	The import of services increased by 22 % in the Jan-Sept period of 2022 over the same period of 2021 to USD 657.3 mln. It represents 99% of all imported services.
		Travel	The import of these services increased by 32% in the Jan-Sept period of 2022 over the same period of 2021 to USD 227.5 mln. It represents 34% of all imported services.
		Transport	The import of these services increased by 26.7% in the Jan-Sept period of 2022 over the same period of 2021 to USD 269.8 mln. It represents 41% of all imported services.
		Government goods and services n.i.e.	The import of these services fell back by 0.4% in the Jan-Sept period of 2022 over the same period of 2021 to USD 4.6 mln. It represents 1% of all imported services.
3.	Investment	Bilateral investment	
			Nil at the time of the report
		Global investment	
		InterProcess to build furniture factory (EUR 10 mln)	InterProcess will invest in the construction and equipping of the largest massive furniture factory in Bosnia and Herzegovina, planning to invest about KM 20 mln marks (EUR 10 mln), and will employ about 400 workers The procedure for issuing documents for the construction of a furniture factory in Maglaj is underway, the mayors office informed.
		Growing trend of foreign investment inflows in BiH	According to data from the Central Bank of BiH, for the first three months of 2023, KM 426.61 mln (appx EUR 213 mln) of foreign investments were registered, which represents an increase of 80% compared to the same period of the previous year. The largest amount of direct investments were made by Austria (KM 2.69 bln or appx EUR 1.34 bln or 15.4% of the total investment balance), Croatia (KM 2.54 bln or appx EUR 1.27 bln or 14.6%), and Serbia (2.43 bln KM or appx EUR 1.2 bln or 13 .9%). At the end of 2022, the cumulative foreign direct investments amounted to KM 17.45 bln (appx EUR 8.7 bln) the Foreign Investment Promotion Agency of BiH said. The inflow of direct foreign investments in BiH in the year 2022 amounted to KM 1.44 bln (appx EUR 770 mln), which is the highest amount recorded so far.

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b. Opportunities for investments/ assets on offer/major company divestment:

S.No.	Sector Name (List attached)	Particulars of the asset /company	Contact details
NIL at the time of the report			

c. information on tender Notices for projects and procurements of interest to Indian project exporters/ suppliers (USD15 mln & above)

Foreign investment Promotion agency (FIPA) provides a database of investment projects in BiH www.fipa.gov.ba

Delegation of the European union to BiH Tenders (Europeaid tenders):

http://europa.ba/?page_id=320

<https://ted.europa.eu/TED/search/search.do>

S.No.	Tender/ Procurement notice No and date	Sector	Value of tender/ procurement
1,	Zunovnica Complex (Fishponds & Restaurant) reconstruction, adaptation and construction of a hotel complex and sports fields e-mail: fipa@fipa.gov.ba http://www.fipa.gov.ba/investinbih/index_htm_files/Zunovnica%20complex,%20Hadzici.pdf Uploaded on Trade Portal 11 Aug 2023	Tourism	EUR 7.5 mln / USD 8 mln

d. Trade queries for imports/ exports (if not uploaded on the Indian trade portal): In the month, Embassy of India has received 10 queries from India and NIL from BiH.

S. No.	enquiry originator	Product with HS codes		Nature (import/export)	Value (US\$ mln)	Action Taken (Max.200 words)
1	Champaexpert	83021020	Engineering goods	Export		Query received: 01/08/23 Query answered: 02/08/23
2	BSI Global Exim Export Import	10063020, 10063010, 10063090, 2020,3030,1140,9931	Agro: rice, spice	Export		Query received: 02/08/23 Query answered: 02/08/23
3	VIONA FIBC		Plastic bags	Export		Query received: 03/08/23 Query answered: 04/08/23
4	Marblify		Stones	Export		Query received: 10/08/23 Query answered: 10/08/23
5	Panthera Exim		Ceramic tiles	Export		Query received: 10/08/23 Query answered: 10/08/23
6	Mohit Agrawal and Sons		Agro: vegetables, animal feed	Export		Query received: 11/08/23 Query answered: 11/08/23
7	Raj Cooling		Engineering: Fans, air cooling	Export		Query received: 12/08/23 Query answered: 05/04/23
8	Mepal International	6907	Ceramic tiles	Export		Query received: 20/08/23 Query answered: 21/08/23
9	Energetic Overseas India		Incense sticks	Export		Query received: 20/08/23 Query

					answered: 21/08/23
10	Beacon Industries		Engineering: water treatment technologies	Export	Query received: 18/08/23 Query answered: 21/08/23

4. important India related statements of commercial significance by political leaders, think tanks, chambers, associations etc. / Significant stories/features on India related trade, investment, services and logistic sector, published in foreign journals/dailies, etc.:
(Max. 500 words)

NIL at the time of the report

C. Tourism

(a) Tourist Visa issued AUGUST 2023:

S. No	No. of Tourist Visa issued during the month	No. of Tourism Visa issued during the same month last year (2022)	No. of tourist Visa issued cumulatively during the year 2023 Jan->	No. of Tourist Visa issued cumulatively during the last year 2022 Jan->
1	0	0	0	0

(b) Indian tourism Promotion events held/organized

S. No	Details of event	Theme	Avg. No. of Participation
Nil at the time of the report			

(c) use of Social Media/Print/Media/electronic Media for Promoting Tourism:

Activity	Print	Electronic (*)	Instagram	Facebook	Twitter	YouTube	Any other
No. of posts	Na	Na	0	7	7	Na	Na
No. of impressions	-	-	-	2837	-	-	-
No. of Likes	-	-	-	23	2	-	-

(d) any advisory issued by the country for travelling to India:

s.No.	Advisory	Reason	action taken
Nil at the time of the report. http://www.mvp.gov.ba/konzularne_informacije/vize/			

(e) interactions held with Tours operators for promoting tourism in India

S.No.	Tours operator	No. of interactions held
NIL at the time of the report		

(f) any other information (max 3000 char)

Nil at the time of the report

D. Transfer of Technology to India**(a) New Technology identified/covered in Press:**

S. No	Name of Technology	Details	usage	Sector	Company
NIL					

(b) Any interest received from Foreign Companies for Technology Transfer:

S.No.	Name of Company	Sector	Details
NIL			

(c) Any Query received from Indian company seeking technological solutions:

S.No.	Name of Technology	Sector	Details
NIL			

(d) Any science/technology exhibition held:

S.No.	Details	Sector	Participation	Participation from India
NIL				

(e) Any press coverage on new patents / designs / IPR filed / granted:

S.No.	Name	Date	Sector	Name of Applicant
NIL				

(f) Any other information (250 char)

NIL

E. Details of trade research, Information dissemination activity of the commercial wing

S.No.	Nature of activity (trade research, Information dissemination, seminars etc) (Max.200 words)	Details of Seminar/ conference (date/ venue, no of participants) or research (Max.200 words)	Details of trade research (title of the report, executive summary, date of publication) (Max.200 words)
1	Information dissemination	14th Global Conference on Empowering Women Entrepreneurs to Global business opportunities Jan 2024	Information was circulated on 04 Aug to the Ministry of Foreign Affairs (MFA), Chambers of Commerce and Industry (Komorabih), Foreign Investment Promotion Agency (FIPA). Information on the event was placed on the website of the Mission.
2	Information dissemination	World food India 03-05 Nov 2023	Information was circulated on 10 Aug to the Ministry of Foreign Affairs (MFA), Chambers of Commerce and Industry (Komorabih), Foreign Investment Promotion Agency (FIPA). Information on the event was placed on the website of the Mission.
3	Information dissemination	India Carpet Expo 08-11 Oct	Information was circulated on 10 Aug to the Ministry of Foreign Affairs (MFA), Chambers of Commerce and Industry (Komorabih), Foreign Investment Promotion

			Agency (FIPA). Information on the event was placed on the website of the Mission.
4	Information dissemination	Mobile Congress 27-29 Oct 2023	Information was circulated on 11 Aug to the Ministry of Foreign Affairs (MFA), Chambers of Commerce and Industry (Komorabih), Foreign Investment Promotion Agency (FIPA). Information on the event was placed on the website of the Mission.
5	Information dissemination	Tender: BHEL 300MW AC Capacity Floating Solar Power Project	Information has been circulated on 25 Aug to the Ministry of Foreign Affairs (MFA) to Foreign Trade Chamber (Komorabih), Bosnian Export Promotion Agency (BHEPA), Chamber of Commerce and Industry of FBiH, Information placed on website.
6	Information dissemination	IndiaSoft 17-19 Jan 2024 New Delhi	Information has been circulated on 28 Aug to the Ministry of Foreign Affairs (MFA) to Foreign Trade Chamber (Komorabih), Bosnian Export Promotion Agency (BHEPA), Chamber of Commerce and Industry of FBiH, Information placed on website.
7	Information dissemination	Rail India 27 Oct 2023	Information has been circulated on 28 Aug to the Ministry of Foreign Affairs (MFA) to Foreign Trade Chamber (Komorabih), Bosnian Export Promotion Agency (BHEPA), Chamber of Commerce and Industry of FBiH, Information placed on website.
8	Information dissemination	Agrimach India 30 Nov-3 Dec 2023	Information has been circulated on 28 Aug to the Ministry of Foreign Affairs (MFA) to Foreign Trade Chamber (Komorabih), Bosnian Export Promotion Agency (BHEPA), Chamber of Commerce and Industry of FBiH, Information placed on website.

F. Details of activities conducted out of Trade promotion budget:

BE for current financial year Rs	RE for current financial year	Amount utilised	Details of activity (Max.200 words)
300,000	...		
		NIL	

G. Action taken on the previous JWG's, Joint Commissions, Sub-Commissions etc. (issues that Mission had to follow up with host government):

S. No	Detail of JWG/JEC with date and venue	Action Point (Max. 200 word)	Action Taken (Max. 200 words)
1	Third meeting of the Joint Committee on Trade took place in Sarajevo on 25 September, 2012. Deputy Minister of Foreign Trade and economic Relations of BiH, Mr. Mato Franjicevic, who is the Co-Chair of the Joint Committee from the BiH side, led a delegation to India in January 2016 and held a meeting with the Co-Chair from the Department of Commerce in India. The next meeting is proposed to be held in Sarajevo, for which dates will be decided through mutual consultations.		Embassy is starting to contact concerned Ministries, including the MFA of BiH for implementation of bilateral agreements/decisions. Mission followed up on the termination of the existing BiT and proposed new BiT with Bosnia.

H. Complaints from foreign buyer/supplier on Quality and trade dispute:

Name of Foreign buyer/supplier	Address & contact details of foreign buyer	Name & address of Indian exporter	Brief description of complaint	The authority to whom the matter was referred and the date on which the matter was referred.	Any outcome
Nil at the time of the report					

i. Complaints of Indian exporter/importer:

Name of Indian exporter/importer	Address & address of foreign buyer/supplier	Brief description of complaint	The authority to whom the matter was referred and the date on which the matter was referred.	any outcome
Nil at the time of the report				

J. Any other issue of importance (Max. 3000 char)

1. Economic growth in BiH in the next three years expected to be around 3%: According to the projections of the Directorate for Economic Planning (DEP), in the period 2023-2026 economic growth can be expected with an average rate of about 3% on an annual basis. The main driver of this growth should be domestic demand through an increase in private consumption and, to a lesser extent, investments. DEP estimates that the average annual economic growth rate in 2024 could amount to 2.7%, in 2025 3% and in 2026 3.3%. In the period 2023 -2026, both in BiH and in the world, a gradual stabilization of economic conditions is expected, which will be reflected in the volume of production, employment and exports. Industrial production in BiH will, in addition to economic trends, also depend on the implementation of reform measures to improve the business environment. Inflation in BiH is expected to reach 3.1% in 2024 and 2.2% in 2025. and 1.9% in 2026.

2. Republika Srpska B credit rating is maintained with a stable outlook: In its report Standard & Poor's (S&P) states that the economy of the Republika Srpska functions in complex political and financial arrangements, burdened by political tensions that harm the economy and lead to slowness in reforms, but the Republika Srpska compensates for this, as they state, with strong autonomy in the management of its fiscal policies, while to which it is stated that there is a noticeable trend of greater transparency of public administration in the RS. "We look positively at the existence of the upper limit of the Government's debt and the annual deficit, as well as the relatively high level of publication of the central government's budget and debt. The debt of the RS cannot exceed the limit of 60% of GDP, while the deficit must be within 3% of GDP", the report states and notes that the Government publishes its biggest strategies and framework budget documents, as well as monthly financial reports, on its website. As one of the biggest challenges facing Republika Srpska, Standard & Poor's agency cites demographic challenges, which could represent additional pressure on the budget in the long term.

3. Average Monthly Exchange Rates Aug 2023:

1US\$= 1.790816 KM

1EUR= 1.955830 KM

Source: Central Bank BiH <http://cbbh.ba>

Rajeev Kumar
Second Secretary (Com&HOC)
Embassy of India
Budapest
Dated: 05 Sept 2023