

Embassy of India Budapest

ECONOMIC AND COMMERCIAL REPORT For the month of JUNE 2024

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	3	2	0	2	4
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	export (US\$ mln)	import (US\$ mln)	Status (P) Provisional/ (F) Final
Country's trade with India	35.2	60.7	F
Country's total global trade	13359.5	11653.2	F

Source: KSH.hu Central Statistical Office of Hungary

b) Preferential trade in goods during

0	3	2	0	2	4
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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	3	2	0	2	4
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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	300390 Medicaments consisting of two or more constituents mixed together	7.5	87.7	kgs	30.4%
2	850760 Lithium-ion accumulators (excl. spent)	4.8	56.3	kgs	3.7%
3	852691 Radio navigational aid apparatus	4.1	11.3	kgs	66.1%
4	401110 New pneumatic tyres, of rubber, of a kind used for motor cars, incl. station wagons and racing cars	2.3	750.5	kgs	3.8%

5	293359 "Heterocyclic compounds with nitrogen hetero-atom[s] only	1.9	29.5	kgs	61.3%
6	293339 "Heterocyclic compounds with nitrogen hetero-atom[s] only, containing an unfused pyridine ring	1.6	11.6	kgs	62.5%
7	848330 Bearing housings for machinery	1.2	149.9	kgs	10.8%
8	841199 Parts of gas turbines, n.e.s.	1.0	13.0	kgs	1.4%
9	870840 Gear boxes and parts thereof, for tractors, motor vehicles for the transport of ten or more persons.	1.0	38.2	kgs	1.1%
10	854430 Ignition wiring sets and other wiring sets for vehicles, aircraft or ships	1.0	22.1	kgs	1.2%

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

d) Top 10 items of export to India during

0 3 2 0 2 4

S. No	Commodity (6 digit HS tariff)	Value USD mln	Quantity 1000 kgs	unit
1	847150 Processing units for automatic data processing machines..	4.6	15.5	kgs
2	690919 Ceramic wares for chemical or other technical uses ..	3.6	108.8	kgs
3	293919 Alkaloids of opium and their derivatives, and salts thereof ..	2.5	1.0	kgs
4	294190 Antibiotics (excl. penicillins and their derivatives with a penicillanic acid structure, salts thereof..	1.3	.4	kgs
5	220210 Waters, incl. mineral and aerated, with added sugar, sweetener or flavour..	1.3	1,505.7	kgs
6	853710 Boards, cabinets and similar combinations of apparatus for electric control or the distribution of electricity, for a voltage <= 1.000 V	1.1	12.8	kgs
7	850152 AC motors, multi-phase, of an output > 750 W but <= 75 kW	1.1	20.2	kgs
8	480640 Glassine and other glazed transparent or translucent papers...	1.0	788.5	kgs
9	292910 Isocyanates	1.0	507.9	kgs
10	870893 Clutches and parts thereof, for tractors, motor vehicles for the transport of ten or more persons..	.9	142.5	kgs

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

e) Potential products of imports from India during

0 3 2 0 2 4

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 251.7 mln, while imports from India to Hungary were Nil
2	300490 Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes	Total Hungarian imports for the month were in the value of USD 169.3 mln, while imports from India to Hungary were USD 0.6 mln
3	300215 Immunological products	Total Hungarian imports for the month were in the value of USD 174.7mln, while imports from India to Hungary were NIL.
4	854231 Electronic integrated circuits as processors and controllers	Total Hungarian imports for the month were in the value of USD 199.3 mln, while imports from India to Hungary were USD 0.2 mln.
5	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 145.5 mln, while imports from India to Hungary were USD 0.5 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/tdi/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)

[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 FDIs.

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 FDIs violating the security interests of the country, then in the economic crisis caused by COVID-19, further screening rules were adopted for FDIs 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	Automotive Hungary	7-10 May 2024	Na	Na	-	Na
2	Industry Days	7-10 May 2024	Na	Na	-	Na
3	AutoTech Future Expo & Show	24-25 May 2024	Na	Na	-	Na
4	China Brand Fair	13-15 June 2024	Na	Na	-	Na
5	Environtec	1-3 Oct 2024	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					4	na

(iv) any other submission 3000 char

1. Inflation rose to 4.0% yr/yr in May, up from 3.7% in April, according to the Central Statistics Office (KSH). Compared to the previous month, prices dropped by 0.1%. Price of sugar soared by 29.6%, eggs by 22%, flour by 19.6%, dairy products cost 11.6% more, the price of cocoa and chocolate rose by 9.8%. Fruits and vegetables increased by 9.5% more, bread by 9%, poultry by 6%. Fuel prices increased by 9.2%. Household energy became 2.4% cheaper, including a 4.7% drop for pipeline gas and a 2.9% drop for electricity. Core inflation – excluding energy and seasonal foods – reached 4% yr/yr in May, down from 4.1% in April. On a monthly basis, core inflation was up 0.5% from April. The average inflation over the first five months was 3.7% yr/yr.

2. Government is abolishing mandatory discounts on food products at big supermarkets from July 1, but the price-monitoring system will remain in place, the Economy Ministry announced. Under the scheme introduced in June 2023 in an effort to bring down inflation, retailers must regularly offer discounts of up to 15% on several food products. The ministry said the mandatory discounts had achieved their goal of bringing down inflation and created strong competition among retailers. Real wages have been rising since September, which has contributed to higher spending by households, fueling economic recovery. The online price-monitoring platform, which compares prices of products, will remain in place. Food prices are no longer the main driver of inflation, but have increased by more than 75% since 2020, making them the fastest-rising product category.

3. IMF recommends that the government carry out reforms to improve the budget balance, promote the green transition and manage long-term risks, after completing its annual evaluation of Hungary's economy on 21 June. The report says that development of a growth-friendly and credible budget adjustment plan and supporting the MNB in reducing inflation should be prioritized. Market conditions are worsened by subsidised loan schemes and an excessively high share of state ownership in key sectors. On tax matters, the IMF writes that instead of special corporate taxes, a better policy would be a higher general tax rate and restructured tax incentives. A flat VAT rate would boost efficiency with fewer brackets and simplified administration, and that a higher tax rate on higher incomes would increase revenues and make the system fairer. The IMF also recommends the introduction of a general property tax. The report forecasts real GDP growth of 2.3% this year and 3.3% in 2025 and inflation up to 4.2% in Q4, dropping to 3% in 2026. Delays in addressing fiscal imbalances and structural policy challenges can undermine investor confidence and hold back private investment, the IMF warned.

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 <i>decreased</i> by 10.9% in the Jan-Mar period of 2023 from USD 205.1 mln reaching USD 182.8 mln yr/yr.
		8526 Radar apparatus, radio navigational aid apparatus and radio remote control	The product group <i>decreased</i> by 36.5% in the Jan-Mar period of 2023 to USD 12.2mln. It represents 6.7% of imports from India to Hungary.
		8507 Electric accumulators, incl. separators therefor	The product group increased by 43.2% in the Jan-Mar period of 2023 to USD 20.3 mln. It represents 11.1% of imports from India to Hungary.
		3003 Medicaments consisting of two or more constituents mixed together	The product group <i>decreased</i> by 13.7% in the Jan-Mar period of 2023 to USD 15.7 mln. It represents 8.6% 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 11.4% in the Jan-Mar period of 2023 to USD 10.2 mln. It represents 5.6% of imports from India to Hungary.
		2933 Heterocyclic compounds with nitrogen hetero-atom(s) only	The product group increased by 51.6% in the Jan-Mar period of 2023 to USD 16.8 mln. It represents 9.2% 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 9.9% in the Jan-Dec period of 2023 over the same period of 2022 from USD 22.4 bln to USD 24.6 bln.
		Travel Services	The service group experienced a 56.3% growth in the Jan-Dec period of 2023 over the same period of 2022 to USD 3.7bln. It represents 15.1% of service imports from India to Hungary.
		Business and management consulting and public relations services	The service group experienced a decrease of 0.1 % in the Jan-Dec period of 2023 over the same period of 2022 to USD 2.2bln. It represents 8.9 % of service imports from India to Hungary.
		Provision of customized and non-customized research and development services	The service group experienced a decrease of 0.2% in the Jan-Dec period of 2023 over the same period of 2022 to USD 676.3 mln. It represents 2.8% of service imports from India to Hungary.
		Engineering services	The service group increased by 31.6% in the Jan-Dec period of 2023 over the same period of 2022 to USD 480.1 mln. It represents 2% of service imports from India to Hungary.
		Accounting, auditing, bookkeeping and tax consultancy services	The service group increased by 10.8% in the Jan-Dec period of 2023 over the same period of 2022 to USD 134.9mln. It represents 0.5% of service imports from India to Hungary.
3.	Investment	Bilateral investment	
		Global investment	

1.	Government buys Budapest Airport (EUR 3.1 bln)	After more than a year of intense negotiations, the owners of Budapest Airport reached an agreement to sell the facility operator to the Hungarian state for EUR 3.1 bln, the Economy Ministry announced. Under the agreement, the state will acquire an 80% stake, and French company Vinci will acquire 20% in the airport operator. The largest shareholder in Budapest Airport was Germanys AviAlliance with a 55.4 percent stake. The deal also includes an agreement with a creditor consortium on the extension of an EUR 1.4 bln loan taken out by the previous owners.
2	Liberty Dunaújváros plans layoffs	Liberty Dunaújváros is reorganising the work schedule of the 1,200 employees of Duna Furnace Dunai Vasmu. Some workers will work in two shifts (instead of three) but some will be laid off, although this does not necessarily mean a dismissal according to analysts. Liberty said earlier that the company is going through a transitional period. Experts also recall, that an electric furnace was also planned to be installed in the future, for restarting steel production. The new owner claims that the current slowdown is only a temporary situation.
3	Aircraft maker Magnus to build Chinese factory	Hungarian-owned light aircraft manufacturer Magnus Aircraft is set to start production at its new Chinese base in Wuxi in 2025, the company announced. The 210,000m2 production facility, built in an industrial park, will be ready by October. Additionally, a 1,500m2 showroom will open displaying the entire product range. Magnus Aircraft, founded in 2011, employs 80 people at its manufacturing base in Pogany, near Pecs, and has 22 employees at its subsidiaries in the US, Kenya, Nigeria, Iran, and China. The company said it plans to produce more than 30 Fusion aircraft this year. Magnus Aircraft expects to turn out several thousand two and four-seater aircraft within ten years, mainly for the Chinese market, but also targeting the African and US markets.
4	TDK expands in Szombathely (EUR 65.8 mln)	Japanese electronics company TDK has completed a Ft 26 bln (appx EUR 65.8 mln) expansion programme in Szombathely, Foreign Affairs and Trade Minister Peter Szijjarto said. The government aided the creation of 250 jobs with Ft 6.7 bln (appx EUR 17 mln) in aid. FM Szijjarto pointed out that 200 Japanese companies currently operate in Hungary, employing about 30,000 workers.
5	EC blocks state aid for GKN factory	The EC opened an in-depth investigation in October 2022 into the EUR 43.8 mln in state aid to be provided by the government for construction of an automotive components plant by British company GKN Automotive in the northern part of the country. The EC concluded that Hungary had failed to prove that state aid was decisive for the beneficiary to locate its investment in the country, hence it was not in line with EU state aid rules. A statement from Competition Policy Commissioner Margrethe Vestager said regional aid should encourage businesses to continue operating in a disadvantaged area, but Hungary was planning to subsidise the costs of an activity that the company would have carried out in Hungary in any case. GKN completed construction of its factory in Felsozsolca near Miskolc last autumn.

6	EU levies tariffs on Chinese e-cars	The EU will impose lower tariffs on cars imported by Chinese electric vehicle maker BYD, which is building a factory in Hungary, than on its competitors, the EU announced on 12 June. The EU is imposing punitive tariffs of up to 38.1 percent on electric vehicles coming from China, from July 1, claiming that Chinese carmakers benefit from unfair government subsidies. The tariff varies according to the manufacturers degree of co-operation with a recent investigation by the EU. Tariffs of 38.1 percent will be imposed on cars made by SAIC, 20 percent on Geely vehicles, and 17.4 percent on BYD products. Tesla, which operates a gigafactory in China, will face a 21 percent import tariff. EU officials said that Chinese-owned car plants in the EU, including the planned BYD factory in Hungary, were not included in the scope of this investigation, underlining the preferred trade strategy of creating jobs inside the bloc. The government does not agree with the EUs proposed punitive tariffs Economy Minister Marton Nagy said. Instead of restricting competition among manufacturers through punitive tariffs, support and assistance is needed for the European electric vehicle industry to strengthen its competitiveness on a global level. He added that the government is developing an EU-level action plan to accelerate the spread of electric vehicles and enhance competition. The European Round Table for Industry, which also includes the largest European car manufacturers, does not support the punitive tariffs either, the ministry said.
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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)

- a.) The Hungarian Public Procurement authority is the official body for public procurement tenders: <http://www.kozbeszerzes.hu/english/>, <https://ekr.gov.hu/>
- b.) 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>
- c.) Tenders may be also found on the Procurement Map, which provides detailed information for public tenders and contract awards. <https://procurementmap.intracen.org/>
- d.) Tenders up from EUR 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 – Pipe fittings OJ S 108/2024 05/06/2024 Address: Kozbeszerzesi Hatosag 1026 Budapest Riado u 5 Contact person: - E-mail: hirdetmeny@kt.hu Telephone: +36 18828635 Issue Date: 05/06/2024 Opening of Tender: 04/07/2024 12:00:00 (UTC+2) Link: https://ted.europa.eu/en/notice/-/detail/331179-2024 -Uploaded on Trade Portal 10 June 2024	Engineering	Estimated value excluding VAT: HUF 1.6 bln / USD 4,4 mln

d. Trade Queries for imports/ exports (if not uploaded on the Indian trade portal).
For the month the Mission received 72 trade inquiries from India and Nil 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	Zatara International	12119099, 19041090	Agro: nuts	Export		Query received: 01/06/24 Query answered: 03/06/24
2	Lecipure Biotech		Food	Export		Query received: 02/06/24 Query answered: 03/06/24
3	Shree Dhanashree Enterprises		Incense sticks	Export		Query received: 02/06/24 Query answered: 03/06/24
4	Shirirang Paints	320890	Paints	Export		Query received: 03/06/24 Query answered: 03/06/24
5	Cherrished Enterprises		Jewellery	Export		Query received: 03/06/24 Query answered: 03/06/24
6	Daria Import Export		Handicrafts	Export		Query received: 03/06/24 Query answered: 03/06/24
7	Ambika Ricemill and Ambika Biotech		Construction materials	Export		Query received: 03/06/24 Query answered: 03/06/24
8	Vani international		Agro: herbs	Export		Query received: 04/06/24 Query answered: 04/06/24
9	BharatConnect		Engineering: Steel and metal	Export		Query received: 04/06/24 Query answered: 04/06/24
10	Bellpep		Textiles fashion	Export		Query received: 04/06/24 Query answered: 05/06/24
11	Fortune Global		Agro: spice	Export		Query received: 05/06/24 Query answered: 05/06/24
12	Atulit Enterprises		Home textiles	Export		Query received: 05/06/24 Query answered: 06/06/24
13	Flamingo Ceramics		Ceramic tiles	Export		Query received: 05/06/24 Query answered: 06/06/24
14	Jay Pee Loomtex		Home textiles, upholstery	Export		Query received: 06/06/24 Query answered: 06/06/24
15	Bettle Engineering Works		Engineering: Fasteners	Export		Query received: 07/06/24 Query answered: 07/06/24
16	D-Haus	4202222	Bags	Export		Query received: 07/06/24 Query answered: 10/06/24
17	S N Enterprise	71179000, 62149040	Fashion jewellery, fashion accessories	Export		Query received: 09/06/24 Query answered:

					10/06/24
18	Arikkat Oil Industries		Food: edible oils, fruit powder	Export	Query received: 09/06/24 Query answered: 10/06/24
19	Krishi Disks and Knives		Engineering: agro machinery parts	Export	Query received: 10/06/24 Query answered: 11/06/24
20	ICFortune		Electronics, semiconductors	Export	Query received: 10/06/24 Query answered: 11/08/24
21	Botenau Lifesciences	21061000	nutraceuticals, health supplement,	Export	Query received: 10/06/24 Query answered: 11/08/24
22	Orgentek Agri Products		Honey	Export	Query received: 11/06/24 Query answered: 11/08/24
23	Avon Furniture	9103	Agro: spice	Export	Query received: 12/06/24 Query answered: 12/06/24
24	Anjani Pharmacare		Pharma, surgical, medical	Export	Query received: 12/06/24 Query answered: 12/06/24
25	Drashti Exim		Misc	Export	Query received: 12/06/24 Query answered: 12/06/24
26	Medhya Enterprises	0909, 091030, 12119032	Agro: spice, cattle feed	Export	Query received: 12/06/24 Query answered: 12/06/24
27	Durvansh Global Exim		Misc	Export	Query received: 12/06/24 Query answered: 12/06/24
28	Marut Orthopedic Rehabilitation		Misc medical, hospital products	Export	Query received: 13/06/24 Query answered: 13/06/24
29	TheVid Ceramica	6907	Ceramic tiles	Export	Query received: 13/06/24 Query answered: 13/06/24
30	Saket Exim	1008	Agro: millets	Export	Query received: 13/06/24 Query answered: 13/06/24
31	Infunex Healthcare		Pharma: IV fluids	Export	Query received: 13/06/24 Query answered: 13/06/24
32	MG Polyplast Industries	390205,39206	Plastics	Export	Query received: 13/06/24 Query answered: 13/06/24
33	V.M.R.Textiles, Siva Traders		Textiles: fabrics	Export	Query received: 13/06/24 Query answered: 14/06/24
34	JJagSimP Exim	39031990	Packaging: bags	Export	Query received: 14/06/24 Query answered: 14/06/24
35	Radhakrishna Agro Industries		Agro: vege	Export	Query received: 17/06/24 Query answered: 18/06/24

36	Middle Burg Exim		Food: confectionery	Export	Query received: 17/06/24 Query answered: 18/06/24
37	Tartam Impex		Agro: vege, spice	Export	Query received: 18/06/24 Query answered: 18/06/24
38	Amutham Food Products		Agro vege, spice, essential oils, herbs	Export	Query received: 18/06/24 Query answered: 18/06/24
39	Hitesh Traders		Agro: vege	Export	Query received: 18/06/24 Query answered: 18/06/24
40	V.R. Satardekar industries		Agro: spice	Export	Query received: 18/06/24 Query answered: 18/06/24
41	Mishanvi Inc	6907	Ceramic tiles	Export	Query received: 18/06/24 Query answered: 18/06/24
42	Otrus International		Textiles, garments, fashion, furnishing	Export	Query received: 18/06/24 Query answered: 19/06/24
43	Shritik Overseas		Packaging: boxes	Export	Query received: 19/06/24 Query answered: 19/06/24
44	Eszed Exporters		Packaging: bags	Export	Query received: 19/06/24 Query answered: 19/06/24
45	Prolift Agro		Misc	Export	Query received: 19/06/24 Query answered: 19/06/24
46	Global Dyes by Ritu Dye Chem		Chemicals: dyes	Export	Query received: 19/06/24 Query answered: 19/06/24
47	Trio Industries	396191	Chemicals	Export	Query received: 19/06/24 Query answered: 19/06/24
48	Aura Star		Jewellery	Export	Query received: 19/06/24 Query answered: 19/06/24
49	Birla Precision Technologies	8207	engineering: Industrial tools	Export	Query received: 20/06/24 Query answered: 20/06/24
50	Murugan Textiles		Texties, garments	Export	Query received: 20/06/24 Query answered: 20/06/24
51	Soarthyia Food Products		Agro: vege, rice	Export	Query received: 21/06/24 Query answered: 24/06/24
52	Jalaram International		Misc	Export	Query received: 23/06/24 Query answered: 24/06/24
53	Yash Imperial		Cotton, Rice	Export	Query received: 23/06/24 Query answered: 24/06/24
54	Vara Merchants	670420	Hair	Export	Query received: 24/06/24

					Query answered: 24/06/24
55	Shiv Shakti Exports		Agro: spice	Export	Query received: 24/06/24 Query answered: 24/06/24
56	Ajay Weber International		Pet accessories	Export	Query received: 24/06/24 Query answered: 25/06/24
57	JJagSimP Exim	48191090	Packaging: boxes	Export	Query received: 24/06/24 Query answered: 25/06/24
58	Art Age		Home textiles	Export	Query received: 24/06/24 Query answered: 25/06/24
59	Innovedant		Engineering: fittings	Export	Query received: 24/06/24 Query answered: 25/06/24
60	Eminent Consumer	39232100	Packaging: bags	Export	Query received: 25/05/24 Query answered: 25/06/24
61	Govianu Ventures		Agro: spice	Export	Query received: 26/05/24 Query answered: 26/06/24
62	Raj In Out		Agro: fruit, vege	Export	Query received: 26/07/24 Query answered: 29/06/24
63	Swiftseas		Miscellanaous	Export	Query received: 26/07/24 Query answered: 29/06/24
64	Ingoglobalepip		Agro: spice	Export	Query received: 26/07/24 Query answered: 29/06/24
65	Shiv Offset		Packaging	Export	Query received: 28/07/24 Query answered: 29/06/24
66	Shri Hari Trading		Agro: spice	Export	Query received: 28/07/24 Query answered: 29/06/24
67	Brans Valves India		Engineering: valves	Export	Query received: 28/07/24 Query answered: 29/06/24
68	Stallion Enterprises	12024210)	Agro: nuts	Export	Query received: 28/06/24 Query answered: 28/06/24
69	Senela International		Chemicals	Export	Query received: 28/06/24 Query answered: 28/06/24
70	Nilkanth Fabrication	846090, 85371000	Engineering goods	Export	Query received: 28/06/24 Query answered: 28/06/24
71	Vir Engineers		Packaging	Export	Query received: 29/06/24 Query answered: 01/07/24
72	Vegamor Ecopacks		Handicrafts: biodegradable plates and cutlery	Export	Query received: 29/06/24 Query answered: 01/07/24

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)

<p>SS(COM&HOC) and SS(POL&CONS) had an online video meeting with Hungarian Export Promotion Agenc (Ms. Andrea Nestor, Deputy CEO, Ms. Anette Nagy, International Relations Manager on 25 June 2024 and subsequently called on Mr. Andras Rév, Vice-Chairman, Committee of International Affairs, and Mrs. Flora Palmay, Director of International Department Hungarian Chamber of Commerce and Industry on 26th June to discuss the upcoming JCEC (to be held in middle of 2025 in New Delhi) and the possible areas of cooperation with EPCs.</p> <p>Following was mentioned:</p> <ul style="list-style-type: none"> -After the Covid-19 pandemic there were only limited interaction regarding the JCEC. -HEPA has approached many EPCs but received limited response. It was mentioned that the HCCI would be the point of contact for exporters from India to Hungary, while the HEPA primarily represents Hungarian exporters to India. It was agreed that in order to effectively enhance bilateral ties, first a few specific fields I.e (agriculture, water management, food processing, pharma, engineering, smart cities, automotive, energy (waste-to-energy, biomass), need to be initially focused on by the partners. -HEPA is ready to jointly receive visiting delagations with HCCI and Hungarian Investment Promotion Agency (HIPA). -An Indian multi-sector delegation would be welcome, after which a Hungarian delegation could visit India. -Hungary has sizeable Chinese investments in the EV sector, and there is untapped potential for Indian investments also.
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C. Tourism

(a) Tourist Visa issued: JUNE 2024

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 (2024 Jan->)	No. of Tourist Visa issued cumulatively during the last year (2023 Jan->)
1	0	2	40	23

(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	Punjab Incredible India ad in Travelo.hu website 06.24-26	0	5	6	Na	Na

No. of impressions (Reach)	-	Appx 125,000	-	880	-	-	-
No. of Likes	-	-	-	14	-	-	-

(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	NIL at the time of the report	

(f) any other information (3000 char)

Mission placed an Incredible India ad on state of Punjab in the Travelo.hu online tourism magazine reaching appx 125,000 between 06.24-26, 2024.

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
1	AI quality-control platform	AI-based solution that allows a single robotic cell to inspect different types of products, even while the objects are moving on an assembly line.	Hungarian software developer EN-CO Software has received a Ft 420 mln (appx EUR 1.2 mln) grant from the National R&D&I Office for a project to develop quality-control software that uses artificial intelligence (AI), the company announced. EN-CO is working on the creation of a pioneering, AI-based solution that allows a single robotic cell to inspect different types of products, even while the objects are moving on an assembly line. EN-CO claims the technology will significantly improve the quality and efficiency of quality control and reduce inspection time with a high level of precision. The innovative technology could be used in medicine, such as surgical robotics, and the food industry, -18 June HAC	Artificial intelligence	EN-CO Software Zrt Address: 1113 Budapest, Bocskai út 77-79, 1118 - Budapest, Schweidel utca 5. Web: www.encosoft.hu Email: sales@encosoft.hu Tel: +36 70 905 2448 Kaszo Laszlo Pal Managing Director

(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	PRINTPACK INDIA, 1-5 February 2025, IEML, Greater Noida, Delhi	Information has been circulated on 6 June 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 Printers Associations PNYME, FEDPRINT, information placed on website.
2	Information dissemination	8th Edition of World Robotics Championship - TechnoXian 24– 27th Aug 2024	Information was circulated on 6 June to the Ministry of Foreign Affairs and Trade, Hungarian Chambers of Commerce and Industry (HCCI), Budapest Chamber of Commerce and industry (BCCI), Hungarian Investment Promotion Agency (HIPA), Hungarian Export Promotion Agency (HEPA), Association of IT Companies (IVSZ), Hungarian Robot Builders Association, NJSZT, WRO. Information was placed on the website of the Mission.
3	Information dissemination	India Mobile Congress 15-19 Oct 2024, New Delhi	Information was circulated on 12 June to the Ministry of Foreign Affairs and Trade, Ministry of Economy, Hungarian Chambers of Commerce and Industry (HCCI), Budapest Chamber of Commerce and industry (BCCI), Association of IT Companies (IVSZ), National Media and Infocommunication Authority, Hungarian Defence Association. Information was placed on the website of the Mission.

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

BE for current financial year (2024-25) Rs	RE for current financial year	amount utilised	Details of activity (Max.200 words)
120,000		NIL	
	Total Rs:	-	

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, HoD, Department for Joint Economic Commission, Ministry of Foreign Affairs & Trade led the Hungarian side. 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. 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. The next round of the JCEC is to be held in H1 of 2025 in New Delhi.
3.	1 st JWG on Water	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.	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).

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)

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

<p>1. More guest workers coming from Philippines and Vietnam: Many foreigners work in car and battery factories in Hungary, and more and more are coming here from Asia, the Central Bank (MNB) said. It found that foreign workers play an increasingly important role in the Hungarian labour market, estimating their number in Hungary at 100,000. The majority appx 20,000, come from Ukraine. However, Asia plays a growing role, as the proportion of guest workers from that continent rose from 18.5% in 2019 to 41%. Slovakia and Romania are no longer the second and third most important despatching countries but the Philippines and Vietnam with 9,400 and 8,400 workers respectively. The number of Filipinos rose by 139% and that of Vietnamese by 110% in a single year. The MNB notes that 39,000 of the foreigners work in some processing industries, nearly 10,000 in the automotive industry and 5,000 are employed by companies making electric devices. This category includes battery factory workers as well. There is no danger that the foreigners are taking jobs from Hungarians, as the problem is that it is increasingly difficult for companies to find Hungarians that they could hire. This is not likely to change soon.</p> <p>2. MNB lowered the base rate by 0.25% to 7%: The slowdown in the monthly rate cuts from 50 basis points to 25 was expected by analysts, as the central bank has repeatedly suggested that the interest rate at the end of the year will not be much lower than at the end of the first half. Observers see only one or two interest rate cuts possible until December, with inflation expected to fluctuate at 4-5%, and the US 10-year bond yield above 4%, it is not feasible for the MNB to cut interest rates further. MNB deputy governor Barnabás Virag said a new era in monetary policy is</p>
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beginning as there will be less room for the central bank to cut interest rates for the rest of the year. This means that, in addition to small interest rate cuts, a pause in cuts will also be possible, he added. The external environment narrows the room for manoeuvre, but there are also risks in domestic trends, he said, and the MNB is paying particular attention to strong wage increases and high inflation expectations.

3. Average Monthly exchange rates June 2024

1US\$= 366.6765 HUF

1EUR= 394.5380 HUF

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

EMBASSY OF INDIA BUDAPEST

ECONOMIC AND COMMERCIAL REPORT FOR THE MONTH of JUNE 2024

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

0	1	2	0	2	4
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	Export (US\$ mln)	Import (US\$ mln)	Status (P) Provisional/ (F) Final
Country's trade with India	0.4	9.8	F
Country's total global trade	653.1	1064.3	F

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

(b) Preferential trade in goods during

0	1	2	0	2	4
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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	1	2	0	2	4
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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	'090111 Coffee (excl. roasted and decaffeinated)	1.6	-	kgs	22.6%
2	'851713 Smartphones for wireless networks	1.1	-	kgs	5.6%
3	'760511 Wire of non-alloy aluminium, with a maximum cross-sectional dimension of > 7 mm (excl. stranded ...)	.8	-	kgs	37.4%
4	'841490 Parts of: air or vacuum pumps, air or other gas compressors, fans and ventilating or recycling ...	.6	-	kgs	19.7%
5	'690721 Ceramic flags and paving, hearth or wall tiles, of a water absorption coefficient by weight ...	.5	-	kgs	13.5%
6	'293219 Heterocyclic compounds with oxygen hetero-atom(s) only, containing an unfused furan ring, whether ...	.4	-	kgs	0.0%
7	'300490 Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, ...	.3	-	kgs	1.9%
8	'870192 Tractors, of an engine power > 18 kW but <= 37 kW (excl. those of heading 8709, pedestrian-controlled ...)	.3	-	kgs	26.9%
9	'790111 Unwrought zinc, not alloyed, containing by weight >= 99,99% of zinc	.2	-	kgs	0.0%
10	'640399 Footwear with outer soles of rubber, plastics or composition leather, with uppers of leather ...	.2	-	kgs	4.1%

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

(d) Top items of export to India during

0	1	2	0	2	4
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S. No	Commodity (6 digit HS tariff)	Value USD mln	Quantity 1000 kgs	unit
1	'848291 Balls, needles and rollers for bearings (excl. steel balls of heading 7326)	.1800	-	kgs
2	'360330 Percussion caps (excl. cartridge cases with percussion caps)	.1580	-	kgs
3	'790700 Articles of zinc, n.e.s.	.0310	-	kgs
4	'460219 Basketwork, wickerwork and other articles, made directly to shape from vegetable plaiting materials ...	.0170	-	kgs
5	'732690 Articles of iron or steel, n.e.s. (excl. cast articles or articles of iron or steel wire)	.0100	-	kgs
6	'441520 Pallets, box pallets and other load boards, of wood; pallet collars of wood (excl. containers ...)	.0010	-	kgs
7	'410792 Grain splits leather "incl. parchment-dressed leather", of the portions, strips or sheets of ...	.0010	-	kgs
8	'731029 Tanks, casks, drums, cans, boxes and similar containers, of iron or steel, for any material, ...	.0010	-	kgs

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

(e) Potential products of imports from India (Jan 2024)

S.No	Commodity (6 digit HS tariff line)	Rationale (Max.200 words)
1	'851713 Smartphones for wireless networks	Total BiH imports for the month were in the value of USD 10.7 mln while imports from India were USD 1.1 mln
2	'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 20.1 mln while imports from India were USD 0.3 mln.
3	'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 mln, while imports from India were NIL.
4	'740811 Wire of refined copper, with a max cross-sectional dimension of > 6 mm	Total BiH imports for the month were in the value of USD 16.5 mln, while imports from India were NIL.
5	'210690 Food preparations, n.e.s.	Total BiH imports for the month were in the value of USD 12.0 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	<u>Decision on the Determination of the Customs Tariff for 2020 (official Gazette of BiH no. 85/19)</u>	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 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					

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 TA/TC)
1	Mostarski Sajam International Trade Fair	16-20 Apr 2024	Na	Na	-	Na

		Mostar				
2.	Sarajevo Business Forum 2024	21-23 May 2024 Sarajevo	Na	Na	-	Na
3	ZEPS 2024	1-5 Oct 2024 Zenica	Na	Na	-	Na
4	International Agricultural Symposium 2024	10-13 Oct 2024 Jahorina	Na	Na	-	Na
5	International Conference on Economics, Business Management and Social Sciences 2024	16 - 20 Oct 2024 Sarajevo	Na	Na	-	Na
6	International Symposium on Industrial Electronics and Applications 2024	06 - 08 Nov 2024 Banja Luka	Na	Na	-	Na
7	Bosnia Healthcare & Services Expo 2024	17 - 18 Nov 2024 Sarajevo	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)
					0	

(iv) Any other submission (3000 char):

Nil at the time of the report

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)
1.	Trade in Goods BiH imports from India	Total imports	The value of imports from India <i>decreased</i> by 49.4% in the Jan-Dec period of 2023 over the same period of 2022 reaching USD 226.5 mln.
		7601 unwrought aluminium	The product group <i>decreased</i> by 77.8% in the Jan-Dec period of 2023 over the same period of 2022 to USD 73.8 mln. It represents 32.6% of imports from India to BiH.
		0901 Coffee, whether or not roasted or decaffeinated	The product group increased by 27.9% in the Jan-Dec period of 2023 over the same period of 2022 to USD 20.7 mln. It represents 9.2% of imports from India to BiH.
		8517 Telephone sets, incl. smartphones and other	The product group increased by 14.5 % in the Jan-Dec period of 2023 over the same period of 2022 to USD 7.7 mln. It represents

		telephones for cellular networks	3.4% of imports from India to BiH.
		6907 Ceramic flags and paving, hearth or wall tiles; ceramic mosaic cubes and the like, whether ...	The product group increased by 62.7% in the Jan-Dec period of 2023 over the same period of 2022 to USD 10.8 mln. It represents 4.8% of imports from India to BiH.
		8414 Air or vacuum pumps	The product group increased by 15% in the Jan-Dec period of 2023 over the same period of 2022 to USD 9.5 mln. It represents 4.2% 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-Sep 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-Sep 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-Sep 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-Sep 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-Sep 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	-Nil at the time of the report
		RS and Hungary show potential for cooperation in investment	The Minister of Energy and Mining in the Government of the Republika Srpska (RS), Petar Dokic, met in Hungary with Dr. Peter Holicza, Deputy State Secretary for European Union Affairs in the Ministry of Energy of Hungary, and with the Minister of Energy and Mining in the Government of Hungary Csaba Lantos, and Gergely Horvath, Director of MvM company. During the meetings the sides expressed mutual readiness for continued cooperation between the RS and Hungary. One of the concrete areas is the Hrgud wind farm where the Hungarian side is analyzing the documents and making a feasibility study of this project for establishing a partnership. The project is considered being of exceptional strategic interest for the Republic Srpska, said Minister Dokic said. Other projects were also discussed, including the Trebinje solar power plant, and there was also interest in cooperation in the field of mining.

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.	Construction of the complex- facilities for usage of thermo mineral water, the centre for recreation, sport and healthy food production together with the auxiliary servicing building in Kakanj e-mail: fipa@fipa.gov.ba http://www.fipa.gov.ba/investinbih/index_htm_files/Thermo%20mineral%20water,%20Kakanj.pdf Uploaded on Trade Portal 10 June 2024	Tourism	Total investment cost est EUR 10 mln, inputs by foreign partner EUR 1.6 mln, Bank appx EUR 7.7 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	Azzurra Ceramica		Ceramic tiles	Export		Query received: 03/06/24 Query answered: 03/06/24
2	Fortune Global		Agro: spice	Export		Query received: 05/06/24 Query answered: 05/06/24
3	Saket Exim	1008	Agro: millets	Export		Query received: 13/06/24 Query answered: 13/06/24
4	MG Polyplast Industries	390205,39206	Plastics	Export		Query received: 13/06/24 Query answered: 13/06/24
5	Kepking Pharma		Pharma, cosmetics, ayurvedic products	Export		Query received: 18/06/24 Query answered: 18/06/24
6	Yash Imperial		Cotton, Rice	Export		Query received: 23/06/24 Query answered: 24/06/24
7	Ingoglobalepip		Agro: spice	Export		Query received: 26/07/24 Query answered: 29/06/24
8	Al Razzaq Creation		Handicrafts	Export		Query received: 28/07/24 Query answered: 29/06/24
9	Shiv Offset		Packaging	Export		Query received: 28/07/24 Query answered: 29/06/24
10	Sethiya Impoes		Salt	Export		Query received: 28/07/24 Query answered: 29/06/24

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 JUNE 2024:

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	5	6	Na	Na
No. of impressions (Reach)	-	-	-	880	-	-	-
No. of Likes	-	-	-	14	-	-	-

(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)

Considerable growth of tourism in Sarajevo Canton: According to data of the Tourist Board (SC) during May 2024, Canton Sarajevo was visited by a total of 71,218 guests who made 138,949 overnight stays, which compared to May 2023 represents an increase of 28.2% in the number of guests, while overnight stays increased by 24.9% Most arrivals were made by foreign tourists from: Turkiye, Croatia, Serbia, China, Germany, USA, Slovenia, United Arab Emirates, Poland and Saudi Arabia.

During the four months of 2024, Canton Sarajevo was visited by 234,674 guests, which is 22.9% more than in the same period in 2023. In the Q1 of 2024, the number of overnight stays amounted to 515,556, an increase of 24.8% compared to the same period last year. The positive figures indicate that tourism is growing and could reach new record levels this year.

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	PRINTPACK INDIA, 1-5 February 2025, IEML, Greater Noida, Delhi	Information has been circulated on 6 June to 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.
2	Information dissemination	8th Edition of World Robotics Championship - TechnoXian 24-27th Aug 2024	Information has been circulated on 6 June to 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.
3	Information dissemination	India Mobile Congress 15-19 Oct 2024, New Delhi	Information has been circulated on 12 June to 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.
4	Information dissemination	CI-India Mediterranean Business conclave 4-5 Sept 2024	Information has been circulated on 26 June to Ministry of Foreign Affairs (MFA) to Ministry of Commerce and Ministry of Energy, Mining and Industry, Embassy of BIH in Hungary

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)
120,000	...		
		NIL	

G. Action taken on the previous JWGs, 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. Participation of BiH military industry at fair in Paris: Performance of BiH military industry companies at the international defense and security fair 'Eurosatory 2024' was highly successful for seven BiH companies: Igman Konjic, Unis Ginex Gorazde, Binas Bugojno, Pretis vogosca, Tehnicki remont Bratunac, BNT Machinery and Hydraulics Factory Novi Travnik and AC-Unity Goražde. The values of signed agreements exceed tens of millions of KM. Vedran Lacic FBIH Minister of Energy, Mining and Industry lauded the successful participation of BiH companies and praised the joint performance of all military industry representatives present during the fair. "Dozens of meetings, renewal of agreements and negotiation of new jobs have shown once again that the military industry of Bosnia and Herzegovina has enormous potential and that investment in its development has multiple benefits. Successes at prestigious fairs, talks and new contracts bring with them new jobs that stimulate the development of the economy and provide sources of income for hundreds of families. Eurosatory is the leading international defense and security fair held every two years in Paris. The fair was first held in 1967 and since then has developed into one of the most important events in the defense and security industry. It gathers numerous exhibitors from around the world, including military equipment manufacturers, government agencies, representatives of the armed forces and experts from the security sector.

2. Rating agency Standard & Poor's assigned the Federation of Bosnia and Herzegovina (FBiH) credit rating of B+/B with a stable outlook. "The stable outlook indicates that despite political challenges, the economic recovery will increase fiscal revenues and reduce inflationary pressures, enabling the FBiH to maintain liquidity, achieve projected surpluses and reduce debt, including the debt of public enterprises", S&P Global Ratings said. However, political conflicts within entities and the state are an obstacle to economic growth, and that disagreements are the reason for blocking reform, i.e. slowing down changes. S&P stated that the FBiH economy is relatively poor compared to Eastern European countries and that it also faces significant demographic challenges. One of the biggest problems is the departure of the workforce to other countries. Regardless, gross domestic product (GDP) growth is expected to accelerate to 2-3% per year by 2026, with inflation to fall below 3% in 2025.

3. Average Monthly Exchange Rates June 2024:

1US\$= 1.816004 KM

1EUR= 1.955830 KM

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

Rajeev Kumar
Second Secretary (Com&HOC)
Embassy of India
Budapest
Dated: 05 July 2024