

Embassy of India Budapest

ECONOMIC AND COMMERCIAL REPORT For the month of AUGUST 2022

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	2
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	export (US\$ million)	import (US\$ million)	Status (P) Provisional/ (F) Final
Country's trade with India	43.7	73.7	F
Country's total global trade	13072.8	13195.7	F

Source: KSH.hu Central Statistical Office of Hungary

b) Preferential trade in goods during

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

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

S.No	Preferential / Free Trade agreement with India	Preferential exports to India (US\$ million)	Preferential exports to World (US\$ million)
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	2
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S. No.	Commodity (6 digit HS tariff line)	Value (US\$ million)	Quantity (1000 kgs)	Unit of Measurement	% share in total import of the commodity globally
1	852691 Radio navigational aid apparatus	9.2	22.9	kgs	61.1%
2	850760 Lithium-ion accumulators (excl. spent)	4.6	39.3	kgs	3.3%
3	300339 Medicaments containing hormones or steroids used as hormones, not containing antibiotics, not in measured doses or put up for retail sale (excl. those containing insulin)	4.6	43.6	kgs	80.2%

4	390769 Poly"ethylene terephthalate", in primary forms, having a viscosity number of < 78 ml/g	3.3	2,352.0	kgs	59.7%
5	292142 Aniline derivatives and their salts	1.9	149.3	kgs	99.9%
6	293410 Heterocyclic compounds containing an unfused thiazole ring, whether or not hydrogenated, in the structure	1.9	47.5	kgs	40.4%
7	847340 Parts and accessories of other office machines of heading 8472, n.e.s.	1.8	50.9	kgs	24.7%
8	841199 Parts of gas turbines, n.e.s.	1.5	99.3	kgs	2.7%
9	848310 Transmission shafts, incl. cam shafts and crank shafts, and cranks	1.5	447.7	kgs	5.2%
10	401170 New pneumatic tyres, of rubber, of a kind used on agricultural or forestry vehicles and machines	1.4	374.0	kgs	35.6%

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

d) Top 10 items of export to India during

0 5 2 0 2 2

S. No	Commodity (6 digit HS tariff)	Value USD mln	Quantity 1000 kgs	unit
1	294190 Antibiotics (excl. penicillins and their derivatives with a penicillanic acid structure, salts thereof, streptomycins, tetracyclines, chloramphenicol and erythromycin, their derivatives and salts thereof)	6.8	.5	kgs
2	690919 Ceramic wares for chemical or other technical uses (excl. of porcelain or china, articles having a hardness equivalent to 9 or more on the Mohs scale, millstones, polishing stones, grindstones and the like of heading 6804, refractory ceramic goods, electrical devices, insulators and other electrical insulating fittings)	4.8	195.6	kgs
3	292910 Isocyanates	3.1	1,055.8	kgs
4	220210 Waters, incl. mineral and aerated, with added sugar, sweetener or flavour, for direct consumption as a beverage	2.6	3,478.4	kgs
5	853710 Boards, cabinets and similar combinations of apparatus for electric control or the distribution of electricity, for a voltage <= 1.000 V	2.5	22.8	kgs
6	847170 Storage units for automatic data-processing machines	1.6	1.0	kgs
7	870893 Clutches and parts thereof, for tractors, motor vehicles for the transport of ten or more persons, motor cars and other motor vehicles principally designed for the transport of persons, motor vehicles for the transport of goods and special purpose motor vehicles, n.e.s.	1.1	177.2	kgs
8	480640 Glassine and other glazed transparent or translucent papers, in rolls of a width > 36 cm or in square or rectangular sheets with one side > 36 cm and the other side > 15 cm in the unfolded state (excl. vegetable parchment, greaseproof papers and tracing papers)	1.0	548.8	kgs
9	860721 Air brakes and parts thereof for railway or tramway locomotives or rolling stock, n.e.s.	.8	44.7	Kgs
10	851762 Machines for the reception, conversion and transmission or regeneration of voice, images or other data, incl. switching and routing apparatus (excl. telephone sets, telephones for cellular networks or for other wireless networks)	.8	2.5	Kgs

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

e) Potential products of imports from India during

0 5 2 0 2 2

S.No.	Commodity (6 digit HS tariff line)	Rationale (Max.200 words)
1	300490 Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, put up in measured doses	Total Hungarian imports for the month were in the value of USD 160.1mln, while imports from India to Hungary were 1.1 mln.
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 174,1 mln, while imports from India to Hungary were USD 0.4 mln.
3	854231 Electronic integrated circuits as processors and controllers,..	Total Hungarian imports for the month were in the value of USD 134.3 mln, while imports from India to Hungary were USD 0.3 mln.
4	850760 Lithium-ion accumulators (excl. spent)	Total Hungarian imports for the month were in the

		value of USD 137.8mln, while imports from India to Hungary were 4.6 mln
5	870840 Gear boxes and parts thereof, for tractors, motor vehicles for the transport of ten or more persons,	Total Hungarian imports for the month were in the value of USD 118.8 mln, while imports from India to Hungary were 1.4 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					

	Nil at the time of the report
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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/TAT/C)
Nil at the time of the report						

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	

(iv) any other submission 3000 char

1. Hotel association MSZESZ issued dire warning, saying soaring energy prices coupled with a projected fall in demand will create an even more difficult situation for the sector than during the pandemic. The sector has seen huge growth in domestic tourism this year, boosting room revenues, but costs have risen at a faster pace, MSZESZ President Csaba Baldauf said. "Wage costs have risen to reach 35% of revenue and energy costs have climbed from 10% of total revenues to 20% this year", he added. Many hotel operators turned down offers for one or two-year fixed gas and electricity contracts last year as prices were 150% of the market price at that time, but spot gas and electricity prices on the market are 5 times higher this year.

2. Guest nights at hotels in Hungary were up 65% yr/yr to 1.7 mln in June, but were 19% below pre-pandemic levels, according to the Hotels and Restaurants Association MSZESZ. In the first half, overnight stays jumped 3.2-fold from the same period in 2021. The number of foreign visitors up 65% to 731,000 in June, accounting for 43% of hotel guest nights. Figures were lifted by the FINA world swimming championship held between June 17 and July 3. Occupancy rates at hotels averaged 53% in June this year, 21% higher than in June 2021, but 13% lower than in June 2019.

3. Inflation accelerates to 24-year high: Annual inflation rose from 11.7% in June to 13.7% in July, the highest since 1998, according to Central Statistics Office (KSH). Among the largest increases, the price of margarine soared by 65.8%, the price of bread by 57.9%, cheese went up by 52.6%, pasta by 49.1%, dairy products by 43.8%, poultry was 38.8% , price of eggs went up by 37.5%. Core inflation – excluding energy and seasonal foods – reached 16.7% yr/yr in July, up from 13.8% in June. Average yr/yr inflation in the Jan-July period was 10%. Analysts expect higher utility costs and the modification of the fuel price cap may boosting inflation to 16%-20% later this year.

4. Consumer protection proceedings launched against Wizz Air: According to the Justice Ministry, "the number of consumers' complaints have increased of late, of which several cases had major repercussions in the media." The airline has failed to provide information and assistance regarding flight delays and cancellations, and failed to provide accommodation and re-booking to those affected by cancellations, causing passengers financial damage. In addition, it did not respond to consumers' applications within the stipulated 30 days, while raising the fees for customer services calls, violating legal regulations and the rights of consumers.

5. Forint weakened to historic low against dollar to HUF 415.2 on 23 August, beating the previous record low against of 414.4 in July. The dollar meanwhile continued to strengthen against the euro, which fell below parity with the US currency for the first time in 20 years.

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 25.3% in the Jan-May period of from USD 255.3 mln reaching USD 320.1 mln year-on-year.
		8526 Radar apparatus, radio navigational aid apparatus and radio remote control apparatus	The product group increased by 8.4% in the Jan-May period of 2022 to USD 45.3 mln. It represents 14.2% of imports from India to Hungary.
		3907 Polyacetals, other polyethers and epoxide resins, in primary forms;	The product group increased considerably in the Jan-May period of 2022 to USD 20.9 mln. It represents 6.5% of imports from India to Hungary.
		3003 Medicaments consisting of two or more constituents mixed together	The product group increased by 1.4% in the Jan-May period of 2022 to USD 18.8 mln. It represents 5.8% of imports from India to Hungary.
		2934 Nucleic acids and their salts, whether or not chemically defined	The product group increased considerably in the Jan-May period of 2022 to USD 16.3 mln. It represents 5.1% of imports from India to Hungary.
		2933 Heterocyclic compounds with nitrogen hetero-atom(s) only	The product group decreased by 38.3% in the Jan-May period of 2022 to USD 14.2 mln. It represents 4.4% 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 11.2% in the Jan-Mar period of 2022 over the same period of 2021 from USD 4.4 bln to USD 4.8 bln.
		Travel Services	The service group experienced a considerable growth in the Jan-Mar period of 2022 over the same period of 2021 to USD 424.7 mln bln. It represents 7.8% of service imports to Hungary.
		Business and management consulting and public relations services	The service group experienced a <i>decrease</i> of 10.8% in the Jan-Mar period of 2022 over the same period of 2021 to USD 435.6 mln. It represents 9.0% of service imports to Hungary.
		Provision of customized and non-customized research and development services	The service group experienced a growth of 18.8% in the Jan-Mar period of 2022 over the same period of 2021 to USD 189.8 mln. It represents 3.9% of service imports to Hungary.
		Engineering services	The service group experienced a

S. No.	Category	Details of significant trends (Max.200 words)	analysis (Max. 200 words)
			decrease of 22% in the Jan-Mar period of 2022 over the same period of 2021 to USD 86.1 mln. It represents 1.8% of service imports to Hungary.
		Accounting, auditing, bookkeeping and tax consultancy services	The service group experienced a decrease of 0.9% in the Jan-Mar period of 2022 over the same period of 2021 to USD 25.9 mln. It represents 0.5% of service imports to Hungary.
3.	Investment	Bilateral investment	
			Nil at the time of the report
		Global investment	
1		CATL announces largest ever investment in Hungary (EUR 7.3 bln)	Chinese investor Contemporary Amperex Technology (CATL), the largest car battery company in the world, announced plans to invest EUR 7.3 bln to build an electric car battery factory in Debrecen, in what will be the largest ever foreign direct investment in Hungary. The factory, to be erected on a 221-hectare area, will create 9,000 jobs. Construction may start as early as this year. CATL has a 35% global market share, and is a supplier of Tesla. As the Hungarian plant will be close to some of its customers' car factories – such as Mercedes-Benz, BMW, Stellantis and Volkswagen – CATL will be better able to meet the battery demand of the European market, while also developing its global production network contributing to e-mobility, and accelerating the European energy transition, the Chinese company said. The investment is a result of negotiations lasting more than two years, said State Secretary Levente Magyar of the Foreign Affairs and Trade Ministry. Further details of the investment will be made public only after the approval of the Chinese company's shareholders' council, he added.
2		NIO to build battery factory in Biatorbágy	NIO, a major Chinese electric car maker, will build a battery exchange station production plant in the CTP Industrial Park in Biatorbágy, on the western outskirts of Budapest. The government is contributing Ft 1.7 bln appx (EUR 4.2 mln) to the Ft 5.5 bln (appx EUR 13.6 mln) project, which will create hundreds of jobs, Foreign Affairs and Trade Minister Peter Szijjarto said. The battery exchange stations to be built in the factory can be used to shorten the charging time of electric cars to approximately the time of a traditional fuel station visit, by simply replacing the entire car battery pack. The plant in Biatorbágy will supply the European battery exchange station network planned by NIO, which aims to produce 240 stations annually. NIO expects to have some 4,000 stations in operation worldwide by 2025.

S. No.	Category	Details of significant trends (Max.200 words)	analysis (Max. 200 words)
3		Airport plans Ft 7bln development (appx EUR 18.3 mln)	Budapest Airport will launch a Ft 7.4 bln (appx EUR 18.3 mln) infrastructure development program in September. In line with European Aviation Safety Agency regulations, large-scale taxiway and runway renovation works will begin. The load-bearing surfaces and curbs of taxiways will be widened in several sections, while the rainwater drainage systems and the lighting network will also be renewed. The project will be implemented in two phases, with the first lasting from August 8 to the beginning of December, with the total cost estimated at Ft 3.5 bln (appx EUR 8.7 mln). The Ft 3.9 bln (appx EUR 9.7 mln) expansion of the forecourt of BUD Cargo City will also begin, thanks to which up to four F-category cargo aircraft can be served in parallel in the future instead of the current two. Budapest Airport decided to start the two projects at the same time so that they can be completed before the next summer season.

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

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

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

c. information on tender Notices for projects and procurements of interest to Indian project exporters/ suppliers (USD15 million & 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 € 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: Repair and maintenance services Tender no: 2022/S 148-425131 MaV Magyar Allamvasutak Zartkoruen Mukodo Reszvenytarsasag Address: 1087 Budapest, Konyves Kalman Krt 54-60 Contact person: Lajko Andras Email: lajkoa@mav.hu Tel: +36306845322 Date: 03/08/22	Health	Value HUF 2- 2,7bln / appx USD 6.86 mln + VAT

	Opening of Tender:31/08/2022 https://ted.europa.eu/udl?uri=TED:NOTICE:425131-2022:TEXT:EN:HTML&src=0		
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d. Trade Queries for imports/ exports (if not uploaded on the Indian trade portal).
For the month of August the Mission received 48 trade inquiries from India and 1 from Hungary

Indian Trade inquiries

S. No.	enquiry originator	Product with HS codes		Nature import/ export)	Value (US\$ million)	Action Taken (Max.200 words) (List of companies sent)
1	Optrum Metalware		Engineering goods	Export		Query received: 01/08/22 Query answered: 01/08/22
2	Dhanraj Exports		Agro: rice	Export		Query received: 02/08/22 Query answered: 02/08/22
3	Macropus Enterprises		Leather goods	Export		Query received: 02/08/22 Query answered: 02/08/22
4	AOI Agro Pvt Ltd		Agro: rice, spice, pulses	Export		Query received: 02/08/22 Query answered: 02/08/22
5	Rugo Organics	1508,1512,1513,1514	Agro: edible oils	Export		Query received: 02/08/22 Query answered: 02/08/22
6	Bhikshu Marketing	5210	Textiles: sarees	Export		Query received: 02/08/22 Query answered: 02/08/22
7	Rise Textiles		Textiles: fabrics	Export		Query received: 04/08/22 Query answered: 04/08/22
8	BB Shah Surveyors		Miscellaneous	Export		Query received: 05/08/22 Query answered: 05/08/22
9	Shiva Enterpirse		Engineering: agro machinery	Export		Query received: 05/08/22 Query answered: 05/08/22
10	Udaan Impex		Agro: vege, fruit	Export		Query received: 8/08/022 Query answered: 08/08/22
11	GVMP Engineers		Miscellaneous engineering goods	Export		Query received: 8/08/022 Query answered: 08/08/22
12	Nilkamal Rope	56074900	Misc	Export		Query received:

	Industry					8/08/022 Query answered: 08/08/22
13	Tulsi Agro Engi Mech		Engineering: misc machinery	Export		Query received: 8/08/022 Query answered: 08/08/22
14	Avalta Granito		ceramic tiles	Export		Query received: 09/08/22 Query answered: 09/08/22
15	Dhrama Forge	73072100	Engineering: Steel and metal	Export		Query received: 11/08/22 Query answered: 11/08/22
16	MMK Export India		Agro: vege, fruit, spices	Export		Query received: 11/08/22 Query answered: 12/08/22
17	Shiva Enterpirse	87019100 87019200 87019300	Engineering: agro machinery	Export		Query received: 12/08/22 Query answered: 12/08/22
18	Liron Automotive		Engineering: electiic wires	Export		Query received: 12/08/22 Query answered: 12/08/22
19	CDI Footwear		Footwear components	Export		Query received: 12/08/22 Query answered: 12/08/22
20	Karma Universal		Textiles: fabrics, home textiles, furnishings	Export		Query received: 13/08/22 Query answered: 16/08/22
21	Totalitarion		Engineering: Steel, castings, etc.	Export		Query received: 13/08/22 Query answered: 16/08/22
22	Viraj Global		Engineering: valves	Export		Query received: 16/08/22 Query answered: 17/08/22
23	Chitkara Exports	1000	Agro: rice	Export		Query received: 16/08/22 Query answered: 17/08/22
24	Pineapple Express Company	6109, 6104	Textiles, garments	Export		Query received: 17/08/22 Query answered: 17/08/22
25	Sunbeam Exports		Misc engineering goods	Export		Query received: 17/08/22 Query answered: 18/08/22
26	Srisriport	6912, 6913	Handicrafts: terracotta items	Export		Query received: 18/08/22 Query answered: 18/08/22
27	5K Udyog		Agro: vege fruit, rice, spice, etc	Export		Query received:

					18/08/22 Query answered: 18/08/22
28	RV Industries		Miscellaneous engineering goods, safety wear	Export	Query received: 19/08/22 Query answered: 22/08/22
29	Dgpanda Exims	495001	Essential oils, scents	Export	Query received: 19/08/22 Query answered: 22/08/22
30	Granite, Marble & Natural Stone	6802, 2515	Stones	Export	Query received: 21/08/22 Query answered: 22/08/22
31	Sevastu Global	5701, 5702	Home textiles: carpets	Export	Query received: 22/08/22 Query answered: 23/08/22
32	Reya International		Pharma	Export	Query received: 22/08/22 Query answered: 23/08/22
33	Prathamesh Exports and Imports.		Leather	Export	Query received: 24/08/22 Query answered: 24/08/22
34	Jilsi Exim		Misc: vege, spice, leather, handicrafts	Export	Query received: 24/08/22 Query answered: 24/08/22
35	Fiducia Metal	4419,7616,940 3,8215	Handicrafts	Export	Query received: 24/08/22 Query answered: 24/08/22
36	HK Jogani Export Import		Agro and food	Export	Query received: 24/08/22 Query answered: 24/08/22
37	Nimit Exports Global	6109, 6111, 6203, 6204, 6205, 6206, 6211, 6302, 6304	Textiles: garments, fabrics	Export	Query received: 24/08/22 Query answered: 30/08/22
38	Packing Solutions		Packaging flexible bulk container	Export	Query received: 25/08/22 Query answered: 30/08/22
39	Suwarna Industries		Textiles: garments, Perfumes	Export	Query received: 25/08/22 Query answered: 30/08/22
40	Fortune Makers		Service: manpower	Export	Query received: 25/08/22 Query answered: 30/08/22
41	TetraRays Foods	1201, 1208	Food: soya	Export	Query received: 25/08/22 Query answered: 30/08/22

42	Interglobe Exports		Stones	Export	Query received: 28/08/22 Query answered: 30/08/22
43	Spinora Tiles		Ceramic tiles	Export	Query received: 29/08/22 Query answered: 30/08/22
44	Success Point	0902	Tea	Export	Query received: 29/08/22 Query answered: 30/08/22
45	SSP India		Engineering: machinery	Export	Query received: 30/08/22 Query answered: 30/08/22
46	Aspire Exports		Stones	Export	Query received: 31/08/22 Query answered: 31/08/22
47	Rajput Import and Export		Agro: vege	Export	Query received: 31/08/22 Query answered: 31/08/22
48	AD International		Stones	Export	Query received: 31/08/22 Query answered: 31/08/22

Hungarian Trade enquiries

Enquiry originator	Product with HS codes	Nature import/export)	Value (US\$ million)	Action Taken (Max.200 words) (List of companies sent)
Arec Kft	Medical Device Therapy And Technology Against Asthma Bronchiale, Respiratory Allergy, Bronchitis, Krupp, Post Covid And Psoriasis	Export	-	Query received on 03 Aug. Sent to Assocham, CII, FICCI, IECCI, CEUCCI placed on website of Embassy and Trade Portal.

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 at the time of the report

C. Tourism

(a) Tourist Visa issued: AUG 2022

S. No	No. of Tourist Visa issued during the month (Aug 2022)	No. of Tourism Visa issued during the same month (Aug 2021) last year	No. of tourist Visa issued cumulatively during the year (Jan-Aug 2022)	No. of Tourist Visa issued cumulatively during the last year (2021 Jan-Aug)
1	Visas 2 e-Visas n/a Total: 2	Visas: 0 e-Visas: n/a Total: 0	Visas: 25 e-Visas: n/a Total: 41	Visas: 0 e-Visas: n/a Total: 0

(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	Nil	Nil	1. Reshare of Incredible India post on Rajashtan - 1 post 2. Reshare of Incredible India post on Chitradurga Fort in Karnataka - 1 post 3. Reshare of Incredible India post on - peacock at Sunder Nursery in Delhi - 1 post 4. Reshare of Incredible India post on train journey through Choral Valley of Madhya Pradesh - 1 post	1. Reshare of Incredible India post on World Nature Conservation Day - 1 post 2. Reshare of Incredible India post on - Rajasthan - 1 post 3. Reshare of Incredible India post on - peacock at Sunder Nursery in Delhi - 1 post 4. Reshare of Incredible India post on - city of Jaipur in Rajasthan - 1 post	1. Reshare of Incredible India post on World Nature Conservation Day - 1 post 2. Reshare of Incredible India post on - the diverse landscape of India ; glimpse of the breathtaking experiences of mountains, forests, oceans, desserts, and more - 1 post 3. Reshare of Incredible India post on peacock at Sunder Nursery in Delhi - 1 post 4. Reshare of Incredible India post on India's landscape - 1 post	Nil	Nil
No. of impressions	NA	NIL	1. Nil 2. Nil 3. Nil 4. Nil	1.) 1 share 2.) Nil 3.) 1 share 4.) 1 share	1.) NA 2.) NA 3.) NA 4.) NA	Nil	NA
No. of Likes	NA	NIL	1.) 72 likes 2.) 155 likes 3.) 39 likes 4.) 84 likes	1.) 1 like 2.) 4 likes 3.) 6 likes 4.) 17 likes	1.) NA 2.) NA 3.) NA 4.) NA	Nil	NA

(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	Corona virus outbreak	Travel advisory on the same has been issued by the Mission. Government of India has also decided to permit tourist visas (single entry one-month) with effect from 15 Nov 2021. 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
		NIL1

(f) any other information (3000 char)

Coronavirus infections were on the rise in August 2022 reaching appx 21,000 per week in the middle of the month dropping to appx 14,000 per week at the end of the month.

<https://www.police.hu/en/content/for-the-attention-of-travelers>

<https://gisanddata.maps.arcgis.com/apps/dashboards/bda7594740fd40299423467b48e9ecf6>

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
	AREC Kft.	Medical	<p>The „Arec” Therapy And Technology An Authentic Method Against Asthma Bronchiale, Respiratory Allergy, Bronchitis, Krupp, Post Covid And Psoriasis</p> <p>Name of company: AREC Kft. Address: H-4200 Hajduszoboszlo / Hungary, Dobo Istvan u. 27. Contact: Denes Bozoky, Director Email: areckft@gmail.com Web: www.arec.hu</p>

(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	CLE 4th edition of Delhi International Leather Expo (DILEX) - Reverse Buyer	Information on the event was circulated on 2 Aug to Hungarian Chambers of Commerce and Industry (HCCI), Budapest Chamber of

		Seller Meet in New Delhi (November 21-22, 2022)	Commerce and industry (BCCI), Hungarian Investment Promotion Agency (HIPA), Hungarian Export Promotion Agency (HEPA) and the Textile Association (TMTE). Information on the event was placed on the website, Facebook and Twitter of the Mission.
2	Information dissemination	India Electronics Expo 23-25 Nov 2022 rescheduled to 27-29 March 2023, Pragati Maidan, New Delhi	Information on the event was circulated on 4 Aug, then on 12 Aug to Cabinet Office of PM (MK), Ministry of Technology and Innovation (TIM), Hungarian Chambers of Commerce and Industry (HCCI), Budapest Chamber of Commerce and industry (BCCI), Hungarian Investment Promotion Agency (HIPA), Hungarian Export Promotion Agency (HEPA) and the Hungarian IT Association (IVSZ) Information on the event was placed on the website, Facebook of the Mission. Information was also sent out to relevant companies
3	Information dissemination	7th Smart Urbanation 2022	Information on the event was circulated on 9 Aug to Cabinet Office of PM (MK), Ministry of Technology and Innovation (TIM), Hungarian Chambers of Commerce and Industry (HCCI), Budapest Chamber of Commerce and industry (BCCI), Hungarian Investment Promotion Agency (HIPA), Hungarian Export Promotion Agency (HEPA) and the Hungarian IT Association (IVSZ) Information on the event was placed on the website, Facebook of the Mission. Information was also sent out to relevant companies
4	Information dissemination	IHGF Delhi Fair 14-18 Oct 2022	Information has been circulated on 10 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). Information placed on website, Facebook
5	Information dissemination	Global Regulators Conclave alongside IPHEX on 21-23rd Sept , Greater Noida	Information has been circulated on 27 July then a letter and NV on 3rd Aug was sent. On 17th August an invitation forwarded to National Institute of Pharmacy (OGYEI), Ministry of Foreign Affairs and Trade (MFAT) and Ministry of Interior (BM). Information also placed on website of the Mission.
6	Information dissemination	Rail-India , New Delhi	Information was circulated on 22 Aug, sent to the 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), MAV Hungarian Railways, Information was

			placed on the website, Facebook and Twitter handles of the Mission.
7	Information dissemination	Kids India 15-17 Sept 2022	Information was circulated on 24 Aug, sent to the 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), Information was placed on the website, Facebook and Instagram handles of the Mission.

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

BE for current financial year (2022-23) Rs	RE for current financial year	amount utilised	Details of activity (Max.200 words)
600,000			
	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 NRDI 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	5 th JCEC Meeting 7 th March and 21 st March 2018	5 th JCEC -Para 2 1 agriculture 2 aviation 3 Space activity 4 energy 5/4 Water management 6/3,4,5, science and technology 7/1,2,3 information Technology 8/3 Transport 9/2,3,6,7,11,12 education and Culture 10/3,6,8 Health and Health economy 11/4,5,6 Tourism 12/2 Visa Matters 13 Cyber Fraud 10 th S&T 3. Status of S&T	Follow up on a number of issues is being made such as agriculture, water management, science and technology funding, trade frauds, etc. Embassy has also been in touch with various Hungarian ministries, including Ministry of agriculture; Ministry of Human Capacities; Ministry of interior; Ministry for Innovation and Technology regarding implementation of bilateral agreements. During the visit of EAM to Hungary on August 25-27 2019 cooperation in the areas of water, S&T, education exchanges, visa procedures, tourism, cultural exchanges and renewable energy were also discussed. The two sides agreed to meet physically to finalize the Working agreement in

		Cooperation 5. Review of last call 6.1 ELI-ALPS 6.2 Joint industrial R&D 6.2 Networking of researchers 6.3 workshops 6.4 Strategic Research Fund	India as soon as possible. As a follow-up up of JS (Ft-Europe) meeting with CR on 15 th September 2021 Ambassador has written and spoken to Secretary (DPIIT) on holding of the next round of JCEC to be held in 13-14 September 2022 in Budapest. Mr. Peter Sztaray, State Secretary for Security Policy and Mr. Anurag Jain, Secretary of the Department for Promotion of Industry and Internal Trade are respective Co-Chairs. FM Peter Szijarto along with a business delegation visited India on 27 May 2022. Draft Protocol has been received and forwarded to the Indian side for comments. JCEC date was later modified to 17-18 October 2022.
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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)

<p>1. S&P downgraded its BBB outlook for Hungary, on 12 Aug, from stable outlook to negative, indicating a 25% chance of a downgrade in the next 2 years and highlighted the risks: The danger of losing EU funds and the reduction of Russian gas deliveries – which could worsen growth prospects and endanger the budgetary consolidation after the covid epidemic. Wage and price inflation, the volatile forint exchange rate and the expected increase in financing costs also reduce the government's room for manoeuvre. S&P forecasts Hungary's GDP growth to be 5.1% this year, 2.3% in 2023 and 3% in 2025. The agency expects state budget deficits of 4.9% of GDP in 2022 and 3.8% in 2023, dropping below 3% only in 2025. The government's target for 2023 is 3.5%. S&P expects that the government will reach an agreement with the EU on the withheld EU funds, so EU transfers may reach 4% of GDP, on average, in 2023-25. If the EU funds do not arrive and Russian gas shipments stop, then the Hungarian economy may fall into recession next year. At the moment, Hungary is feeling the negative consequences of the energy crisis more than any other country in Europe. That is why, in addition to general risks, the agency sees "special downside risks" in the economy. The special taxes introduced by the government in some sectors mainly affect foreign companies negatively, a fact which may reduce the inflow of capital in the coming years.</p> <p>2. Hungary's Q2 GDP growth was third highest in the EU, after Slovenia and Portugal, Finance Minister Mihály Varga said. The 6.5% annualised growth in the April-June period was more than 50% above the EU average. "The goal is to preserve the stability and growth of the Hungarian economy, even amid deteriorating circumstances", he added.</p> <p>3. MNB elevated the base rate to 11.75%, the highest since spring 2004. It also increased the overnight deposit rate from 10.25% to 11.25% and the overnight lending rate from 13.25% to 14.25%. According to analysts the</p>
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central bank did as the market expected, citing domestic inflation which could reach 20% and soaring European energy prices which will add to the current account and budget deficits. These will have a weakening effect on the forint which can further increase inflationary pressure.

4. MNB will launch three monetary tightening measures starting in the autumn, to support the reduction of interbank liquidity so that short-term money market interest rates develop in line with the central bank's targets, even in a turbulent financial market environment. The compulsory reserve rate is increased for commercial banks from 1% to 5% – whereas the reserve rate is only 2% in Poland – and the MNB will regularly held discount bond auctions. Furthermore, the MNB is opening a long-term deposit facility that sterilises excess liquidity in the banking sector for longer maturities. According to experts, as a result of these measures, liquidity will tighten, and short-term yields will rise and move closer to the benchmark interest rate set by the MNB. MNB Deputy Governor Barnabas Virag said that, it is hoped that, "at least half" of the liquidity will be sucked out of the system by the new instruments. The stock of one-day deposits with the MNB is near Ft 9.5 trn (appx EUR 23.5 bln) of which MNB can siphon away about Ft 5 trn (appx EUR 12.4 bln).

5. Average Monthly exchange rates Aug 2022

1US\$= 397.27 HUF

1EUR= 402.34 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 2022**

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	3	2	0	2	2
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	Export (US\$ million)	Import (US\$ million)	Status (P) Provisional/ (F) Final
Country's trade with India	0.3	45.7	F
Country's total global trade	898.2	1415.9	F

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

(b) Preferential trade in goods during

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

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

S.No	Preferential / Free Trade agreement with India	Preferential exports to India (US\$ million)	Preferential exports to World (US\$ million)
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	2
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S. No.	Commodity (6 digit HS tariff line)	Value (US\$ million)	Quantity (1000 kgs)	Unit of Measurement	% share in total import of the commodity globally
1	760110 Aluminium, not alloyed, unwrought	35.5		kgs	86.0%
2	090111 Coffee (excluding roasted and decaffeinated)	1.5		kgs	21.9%
3	251611 Granite, crude or roughly trimmed (excluding already with the characteristics of setts, curbstones ...)	.8		kgs	65.7%
4	841490 Parts of: air or vacuum pumps, air or other gas compressors, fans and ventilating or recycling ...	.7		kgs	23.6%
5	870192 Tractors, of an engine power > 18 kW but <= 37 kW (excl. those of heading 8709, pedestrian-controlled ...)	.6		kgs	57.9%
6	680223 Granite and articles thereof, simply cut or sawn, with a flat or even surface (excluding with ...)	.4		kgs	79.7%
7	690721 Ceramic flags and paving, hearth or wall tiles, of a water absorption coefficient by weight ...	.3		kgs	7.6%
8	722100 Bars and rods of stainless steel, hot-rolled, in irregularly wound coils	.3		kgs	100.0%
9	760120 Unwrought aluminium alloys	.2		kgs	1.1%
10	854511 Electrodes of graphite or other carbon, for electric furnaces	.2		kgs	27.8%

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

(d) Top items of export to India during

0	3	2	0	2	2
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S.No	Commodity (6 digit HS tariff)	Value USD mln	Quantity 1000 kgs	unit
1	410120 "Whole raw hides and skins of bovine ""incl. buffalo"" or equine animals, whether or not dehaired,082		kgs
2	848291 Balls, needles and rollers for bearings (excluding steel balls of heading 7326)	.061		kgs
3	410150 "Whole raw hides and skins of bovine ""incl. buffalo"" or equine animals, whether or not dehaired ...	.034		kgs
4	790700 Articles of zinc, n.e.s.	.027		kgs
5	701349 "Glassware for table or kitchen purposes (excluding glass having a linear coefficient of expansion ...	.027		Kgs
6	440712 "Fir ""Abies spp."" and spruce ""Picea spp."" sawn or chipped lengthwise, sliced or peeled, ...	.025		kgs
7	440792 "Beech ""Fagus spp."" , sawn or chipped lengthwise, sliced or peeled, whether or not planed, ...	.011		kgs
8	841490 Parts of: air or vacuum pumps, air or other gas compressors, fans and ventilating or recycling ...	.010		kgs
9	390330 "Acrylonitrile-butadiene-styrene copolymers ""ABS"" , in primary forms"	.008		kgs
10	731029 Tanks, casks, drums, cans, boxes and similar containers, of iron or steel, for any material, ...	.008		Kgs

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

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

S.No	Commodity (6 digit HS tariff line)	Rationale (Max.200 words)
1	760110 Aluminium, not alloyed, unwrought	Total BiH imports for the month were in the value of USD 41.3 mln while imports from India were USD 35.5 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 23.4 mln while imports from India were USD 0.2 mln
3	870332 Motor cars and other motor vehicles principally designed for the transport of persons, incl. ...	Total BiH imports for the month were in the value of USD 21.7mln, while imports from India were NIL.
4	760120 Unwrought aluminium alloys	Total BiH imports for the month were in the value of USD 17.1 mln, while imports from India were USD 0.2 mln
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 14.6 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 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 T/ATC)
NIL at the time of the report						

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					NIL	

(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 increased considerably in the Jan-Mar period of 2022 over the same period of 2021 reaching USD 143 mln.
		7601 unwrought aluminium	The product group increased considerably in the Jan-Mar period of 2022 over the same period of 2021 from USD 1.6 mln to USD 118.4 mln. It represents 82.8% of imports from India to BiH.
		8701 Tractors (other than tractors of heading 8709)	The product group grew considerably in the Jan-Mar period of 2022 over the same period of 2021 from USD 0.4 mln to USD 1.3 mln. It represents 0.9% of imports from India to BiH.
		6907 Unglazed ceramic flags and paving	The product group grew by 54.7% in the Jan-Mar period of 2022 over the same period of 2021 from USD 1 mln to USD 1.5 mln. It represents 1.1% of imports from India to BiH.
		0901 Coffee, whether or not roasted or decaffeinated	The product group increased by 91.7% in the Jan-Mar period of 2022 over the same period of 2021 from USD 1.6 mln to USD 3.1 mln. It represents 2.2% of imports from India to BiH.
		8414 Air or vacuum pumps	The product group decreased by 29.6% in the Jan-Mar period of 2022 over the same period of 2021 from USD 3.1 mln to USD 2.2 mln. It represents 1.5% 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 32.6% in the Jan-Dec period of 2021 over the same period of 2020 from USD 522.7 mln to USD 693.1 mln.
		Commercial services	The import of services increased by 32.9% in the Jan-Dec period of 2021 over the same period of 2020 to USD 686.5 mln. It represents 99.1% of all imported services.
		Travel	The import of these services increased by 59.6% in the Jan-Dec period of 2021 over the same period of 2020 to USD 178.6 mln. It represents 25.8% of all imported services.
		Transport	The import of these services increased by 46.9% in the Jan-Dec period of 2021 over the same period of 2020 to USD 298.5 mln. It represents 43.1% of all imported services.
		Government goods and services n.i.e.	The import of these services increased by 9.8% in the Jan-Dec period of 2021 over the same period of 2020 to USD 6.6 mln. It represents 0.9% of all imported services.
3.	Investment	Bilateral investment	Nil at the time of the report
		Global investment	
		Chinese company to build motorway section (EUR 392 mln)	The state-owned China State Construction Engineering Corporation Limited (CSCEC) company will build a 33-kilometre section of the motorway in the northern part of Bosnia and Herzegovina as per the a EUR 392 mln contract signed with the Republika Srpska entity government. The section of the motorway from Vukosavlje to Brcko is a part of the corridor that connects the Republika Srpska entity with Serbia. The contract entails the construction of a 33-km section of the motorway from Vukosavlje to Brcko with three interchanges and one roadway rest stop.
		Region in terms of Foreign Investments	In 2021, BiH attracted only USD 519 mln of foreign direct investments making it the last ranking country in the region. Serbia is in first place in terms of inflow of USD 4.56 bln, almost ten times more than BiH. As comparison Montenegro with only 600 thousand inhabitants, attracted USD 664 mln, North Macedonia USD 606 mln, Croatia USD 569 mln and Slovenia reported inflows of USD 1.52 bln in 2021. Although BiH still remains at the back when it comes to investments, lagging even behind the countries of the region, things have significantly improved globally compared to the pandemic year 2020. At the global level, investments have reached the level

			since before the pandemic and amounted to USD 1.6 bln. International project financing and cross-border deals experienced a particularly strong momentum. On the other hand, the recovery of greenfield investment is still very fragile. Economists predict that in 2022 there will be an increase in foreign direct investments. However, a significant blow to the recovery will certainly be given by the war in Ukraine and the deep disruptions in the market that have occurred regarding the supply of energy and food. In 2020 the inflow of foreign direct investments to BiH mounted to USD 395 mln and, the regional leader was Serbia with USD 2.9 bln, Montenegro with USD 663 mln and Croatia with USD 1.304 bln.
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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
1.	Tourism	Construction of Ethno village and Farm of domestic animals Santric Total investment cost: EUR 3.9 MLN / USD 3.9 MLN	Foreign Investment Promotion Agency e-mail: fipa@fipa.gov.ba Tel: +387 33 278 080 http://www.fipa.gov.ba/investinbih/index_htm_files/Eco%20farm%20Santic,%20Vlasic.pdf Uploaded On Trade Portal on 18 Aug 2022

c. information on tender Notices for projects and procurements of interest to Indian project exporters/ suppliers (USD15 million & 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,	Nil at the time of the report http://www.fipa.gov.ba/other_feature/tenders/archive.aspx?langTag=en-US&template_id=124&pageindex=1		

d. Trade queries for imports/ exports (if not uploaded on the Indian trade portal): In the period of August 2022, Embassy of India has received 5 queries from India and NIL from BiH.

S. No.	enquiry originator	Product with HS codes	Nature (import/ export)	Value (US\$ million)	Action Taken (Max.200 words)
1	Prathamesh Exports and Imports.	Leather goods	Export		Query received: 01/08/22 Query answered: 01/08/22
2	Birla international	Agro: rice	Export		Query received: 8/08/22 Query answered: 08/08/22
3	RV Industries	Miscellaneous engineering goods, safety wear	Export		Query received: 19/08/22 Query answered: 22/08/22
4	Spinora Tiles	Ceramic tiles	Export		Query received: 29/08/22

						Query answered: 30/08/22
5	Success Point	0902	Tea		Export	Query received: 29/08/22 Query answered: 30/08/22

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

C. Tourism

(a) Tourist Visa issued:

S. No	No. of Tourist Visa issued during the month (Aug 2022)	No. of Tourism Visa issued during the same month (Aug 2021) last year	No. of tourist Visa issued cumulatively during the year Jan-Aug 2022	No. of Tourist Visa issued cumulatively during the last year Jan-Aug 2021:
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	Electro nic (*)	Instagram	Facebook	Twitter	You tube	Any other
No. of posts	Nil	Nil	1. Reshare of Incredible India post on Rajashtan - 1 post 2. Reshare of Incredible India post on Chitradurga Fort in Karnataka - 1 post 3. Reshare of Incredible India post on - peacock at Sunder Nursery in Delhi - 1 post 4. Reshare of Incredible India post on train journey through Choral Valley of Madhya Pradesh - 1 post	1. Reshare of Incredible India post on World Nature Conservation Day - 1 post 2. Reshare of Incredible India post on - Rajasthan - 1 post 3. Reshare of Incredible India post on - peacock at Sunder Nursery in Delhi - 1 post 4. Reshare of Incredible India post on - city of Jaipur in Rajasthan - 1 post	1. Reshare of Incredible India post on World Nature Conservation Day - 1 post 2. Reshare of Incredible India post on - the diverse landscape of India ; glimpse of the breathtaking experiences of mountains, forests, oceans, desserts, and more - 1 post 3. Reshare of Incredible India post on peacock at Sunder Nursery in Delhi - 1 post 4. Reshare of Incredible India post on India's landscape - 1 post	Nil	Nil
No. of impressions	NA	NIL	1. Nil 2. Nil 3. Nil 4. Nil	1.) 1 share 2.) Nil 3.) 1 share 4.) 1 share	1.) NA 2.) NA 3.) NA 4.) NA	Nil	NA

No. of Likes	NA	NIL	1.) 72 likes 2.) 155 likes 3.) 39 likes 4.) 84 likes	1.) 1 like 2.) 4 likes 3.) 6 likes 4.) 17 likes	1.) NA 2.) NA 3.) NA 4.) NA	Nil	NA
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(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)

BiH showed an increase to 2,600 covid infections per week in the middle of August dropping to appx 1800 per week at the end of the month. https://gisanddata.maps.arcgis.com/apps/dashboards/bda7594740fd40299423467b48e9ecf6
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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	CLE 4th edition of Delhi International Leather Expo (DILEX) - Reverse Buyer Seller Meet in New Delhi (November 21-22, 2022)	Information on the event was circulated on 02 Aug to 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, Facebook and Twitter of the Mission.
2	Information dissemination	India Electronics Expo 23-25 Nov 2022 rescheduled to 27-29 March 2023, Pragati Maidan, New Delhi	Information on the event was circulated on 04 Aug then on 12 Aug to 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, Facebook and Twitter of the Mission.
3	Information dissemination	7th Smart Urbanation 2022	Information on the event was circulated on 09 Aug to 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, Facebook and Twitter of the Mission.
4	Information dissemination	IHGF Delhi Fair 14-18 Oct 2022	Information has been circulated on 10 Aug to Ministry of Foreign Affairs (MFA) to Foreign Trade Chamber (Komorabih), Bosnian Export Promotion Agency (BHEPA), Chamber of Commerce and Industry of FBH, Information placed on website, Facebook.
5	Information dissemination	Rail-India , New Delhi	Information was circulated on 22 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 and Facebook, Twitter handles of the Mission.
6	Information dissemination	Kids India 15-17 Sept 2022	Information was circulated on 24 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 and Facebook, Instagram handles of the Mission.

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)
600,000	...		
		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	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)

- ITA BiH: Revenues from indirect taxes higher by 935 million KM compared to 2021:** Revenues from indirect taxes in the period January-July 2022 amounted to KM 5.53 bln (EUR 2.83 bln) and are higher by KM 935 mln (EUR 509 mln) or 20.35% compared to the same period in 2021, when it amounted to KM 4.6 bln (EUR 2.35 bln). In the period January-July 2022, the Indirect Taxation Administration returned KM 1.18 bln (EUR 603 mln) to the economy, which is KM 344 mln (EUR 176 mln) more than in the same period last year. The net collected revenues that were distributed to users in the period January-July 2022, namely the state, the entities and the Brcko District, amounted to KM 4.35 bln (EUR 2.2 bln) and were higher by KM 591 mln (EUR 302 mln) compared to the revenues distributed from the single account for the same period in 2021.
- The average monthly net salary in June amounted to 1,126 KM:** The average monthly net salary in BiH in June 2022 amounted to 1,126 KM (EUR 575.7) and was higher by 8.1% compared to December 2021, and higher by 13% compared to June 2021. The lowest average net salary was in accommodation services, food preparation and serving and amounted to 730 KM (EUR 373), in construction it amounted to 819 KM (EUR 419), while the average net salary in wholesale and retail trade,

repair of motor vehicles and motorcycles amounted to 879 KM (EUR 449), according to the data of the BiH Statistics Agency. Employees in financial and insurance activities had the highest earnings in the month of June and amounted to 1,770 KM (EUR 905), in the production and supply of electricity, gas, steam and air conditioning 1,659 KM (EUR 848), and in the field of information and communication technologies 1,625 KM (EUR 831). The average monthly gross salary in BiH for June this year amounted to 1,728 KM (EUR 884) and was higher by 7.7% compared to Dec 2021, and higher by 11.9% compared to June 2021.

3. Average Monthly exchange rates Aug 2022:

1US\$= 1.929271 KM

1EUR= 1.955830 KM

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

S. Ramji
Second Secretary (Com&HOC)
Embassy of India
Budapest
Dated: 16 Sept 2022