

**Embassy of India
Budapest**

**ECONOMIC AND COMMERCIAL REPORT
FOR THE MONTH OF NOVEMBER 2018**

HUNGARY

(I) Bilateral Trade

2018 January-October trade (USD, EUR million)

	Import JAN-OCT	Export JAN-OCT	Total	Growth% of Import (y-o-y)	Growth% of Export (y-o-y)
Hungary's trade with India (mln)	389.7 USD 327.0 EUR	227.5 USD 191.3 EUR	617.2 USD 518.3 EUR	+4.5% -3.0%	+25.4% +16.6%
Hungary's Total Global Trade (mln)	98.415 USD 82.752 EUR	104.700 USD 87.916 EUR	203,217 USD 170,668 EUR	+14.0% +7.0%	+11.3% +4.5%

Source: Central Statistical Office (www.ksh.hu)

Analysis: In the period of January to October 2018, in USD terms, exports to India increased by 25.4% while imports from India grew by 4.5%. Balance of trade is in India's favour in value of USD 162.1 mln. In EUR terms, exports to India increased by 16.6%, while imports from India fell back by 3%, resulting in a balance of trade in India's favour in value of EUR 135.7 mln.

(II) Top 10 Items of Export to India (In millions of US\$)

S.No.	Commodity	2018 JAN-OCT	Growth (%) (y-o-y)	(%) Share in Total Exports to India
	TOTAL	227.5	25.4%	100.0%
1	85 ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES	68.7	60.8%	30.2%
2	84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	47.6	17.1%	20.9%
3	29 ORGANIC CHEMICALS	44.8	4.1%	19.7%
4	73 ARTICLES OF IRON OR STEEL	9.0	22.0%	4.0%
5	90 OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF	7.6	-19.0%	3.3%
6	87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	6.7	4.8%	2.9%
7	40 RUBBER AND ARTICLES THEREOF	4.9	202.0%	2.1%
8	48 PAPER AND PAPERBOARD; ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD	4.4	2.9%	1.9%
9	39 PLASTICS AND ARTICLES THEREOF	3.6	5.7%	1.6%
10	30 PHARMACEUTICAL PRODUCTS	3.5	295.9%	1.6%

Source: Central Statistical Office (www.ksh.hu)

(III) Top 10 Items of Export to the World (In millions of US\$)

S.No.	Commodity	2018	Growth	(%) Share in
		JAN-OCT	(%) (y-o-y)	Total Exports to the World
	TOTAL	104,699.5	11.3%	100.0%
1	85 ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES	21,797.1	14.6%	20.8%
2	84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	18,634.2	8.5%	17.8%
3	87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	17,203.3	6.5%	16.4%
4	30 PHARMACEUTICAL PRODUCTS	5,094.0	19.5%	4.9%
5	39 PLASTICS AND ARTICLES THEREOF	4,072.6	11.9%	3.9%
6	90 OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF	3,564.0	2.8%	3.4%
7	27 MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	2,862.8	24.0%	2.7%
8	40 RUBBER AND ARTICLES THEREOF	2,438.7	13.6%	2.3%
9	29 ORGANIC CHEMICALS	1,767.8	16.1%	1.7%
10	94 FURNITURE; BEDDING, MATTRESSES, MATTRESS SUPPORTS, CUSHIONS AND SIMILAR STUFFED FURNISHINGS; LAMPS AND LIGHTING FITTINGS, NOT ELSEWHERE SPECIFIED OR INCLUDED; ILLUMINATED SIGNS, ILLUMINATED NAME-PLATES AND THE LIKE; PREFABRICATED BUILDINGS	1,671.2	13.3%	1.6%

Source: Central Statistical Office (www.ksh.hu)**(IV) Top 10 items of imports from India (In millions of US\$)**

S.No.	Commodity	2018	Growth	(%) Share in
		JAN-OCT	(%) (y-o-y)	Total Exports to the World
	TOTAL	389.7	4.5%	100.0%
1	84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	114.0	15.8%	29.2%
2	29 ORGANIC CHEMICALS	85.4	7.2%	21.9%
3	85 ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES	62.9	25.3%	16.1%
4	30 PHARMACEUTICAL PRODUCTS	45.2	-27.8%	11.6%
5	73 ARTICLES OF IRON OR STEEL	9.8	40.1%	2.5%
6	64 FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	8.1	12.8%	2.1%
7	40 RUBBER AND ARTICLES THEREOF	7.6	14.3%	2.0%
8	72 IRON AND STEEL	6.3	-7.3%	1.6%
9	24 TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES	5.5	50.4%	1.4%
10	87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	5.2	-12.4%	1.3%

Source: Central Statistical Office (www.ksh.hu)

(V) Top 10 Items of Import from the World (In millions of US\$)

S.No.	Commodity	2018 JAN-OCT	Growth (%) (y-o-y)	(%) Share in Total Imports from the World
	TOTAL	98,517.6	14.0%	100.0%
1	85 ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES	19,941.6	13.4%	20.2%
2	84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	15,324.7	7.3%	15.6%
3	87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	10,413.8	11.1%	10.6%
4	27 MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	8,000.7	18.8%	8.1%
5	39 PLASTICS AND ARTICLES THEREOF	4,736.2	15.6%	4.8%
6	30 PHARMACEUTICAL PRODUCTS	4,370.1	29.2%	4.4%
7	72 IRON AND STEEL	2,505.0	23.1%	2.5%
8	73 ARTICLES OF IRON OR STEEL	2,414.0	17.5%	2.5%
9	90 OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF	2,157.2	13.0%	2.2%
10	76 ALUMINIUM AND ARTICLES THEREOF	2,049.0	19.1%	2.1%

Source: Central Statistical Office (www.ksh.hu)**(VI) Top 5 Competitors of India's Top 5 Exports to Hungary JAN-OCT 2018**

S. No.	Commodity	Competitors		Amount
				(In millions of US\$)
1	84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	1	Germany	5,366.6
		2	China	1,265.4
		3	Italy	904.4
		4	Poland	641.1
		5	Netherlands	638.5
2	29 ORGANIC CHEMICALS	1	Italy	165.2
		2	Germany	162.1
		3	China	159.7
		4	Czech Republic	109.5
		5	Netherlands	106.3
3	85 ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS	1	Germany	5,463.3
		2	China	2,308.5
		3	Netherlands	1,840.8
		4	Poland	841.8
		5	Austria	714.8
4	30 PHARMACEUTICAL PRODUCTS	1	Germany	756.8
		2	Korea, Rep.	624.3
		3	France	616.9
		4	Belgium	560.7
		5	Netherlands	341.2
5	73 ARTICLES OF IRON OR STEEL	1	Germany	730.7
		2	Italy	235.1
		3	Austria	152.0
		4	Czech Republic	151.6
		5	Poland	145.8

Source: Central Statistical Office (www.ksh.hu)

(VII) Bilateral Investment (Source: Hungary around the Clock media, Hungarian Government www.kormany.hu)

S. No.	Name of Company	Sector	Amount (US\$ million)

- **Flex Films to build € 71 mln factory:** Indian company Flex Films is investing Ft 23 billion (appx € 71.5 mln) in building a plastic packaging materials factory in Rétság, Nógrád country, it was announced in Budapest on 21st November. Foreign Affairs and Trade Minister Péter Szijjártó said the state is providing a Ft 2.8 billion (appx € 8.7mln) subsidy, and that 170 jobs will be created. The factory will be Europe's first flexible packaging material producer. Flex already has a factory in Poland. Flex Films will supply its European and American markets from Hungary, Uflex owner Ashok Kumar Chaturvedi commented.

(VII) Global Investment (Source: Hungary around the Clock media, Hungarian Government www.kormany.hu)

S. No.	Name of Company	Secor	Amount (US\$ million)

1. **Hanon investing Ft 37bn in Hungary:** South Korean car parts manufacturer Hanon will invest a total of Ft 36.7 billion (appx € 114.8 mln) in Székesfehérvár, Pécs and Rétság, Foreign Affairs and Trade Minister Péter Szijjártó announced.
2. **Jaguar to open engineering centre:** British car maker Jaguar Land Rover plans to open an engineering development centre in Budapest, Foreign Affairs and Trade Minister Péter Szijjártó announced. The new centre will focus on developing and introducing new models, he said, adding that the company will primarily make electric cars from 2020 on.
3. **Fixed capital investments up in Q3:** Fixed capital investments were up 22% year-on- year in the third quarter, the Central Statistics Office (KSH) announced. Investments increased by 3.2% in manufacturing, 41.8% in transport and storage, 18.4% in the property industry, 65.8% in state administration, 14.9% in retail and 10.6% in agriculture.

(iX) Significant trends in trade and investment in JAN-OCT 2018

(Source: Central Statistical Office www.ksh.hu, News, local media.)

Details of significant trends	Analysis (Indian exports to Hungary)
(HS 84) NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS	The product group grew by 15.8% in JAN-OCT of 2018 over the same period of 2017. It represents 29.2% of total Indian exports to Hungary.
(HS 29) ORGANIC CHEMICALS	The product group exhibited a growth of 7.2% in JAN-OCT of 2018 over the same period of 2017 and represents 21.9% of total Indian exports to Hungary.
(HS 85) ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS...ETC.	Trade grew by 25.3% in this product group in JAN-OCT of 2018 over the same period of 2017. It represents 16.1% of total Indian exports to Hungary.
(HS 30) PHARMACEUTICAL PRODUCTS	The product group experienced a drop of -27.8% in JAN-OCT of 2018 over the same period of 2017. It represents 11.6% of total exports to Hungary.
(HS 73) ARTICLES OF IRON OR STEEL	Although the product group experienced a significant growth in the JAN-OCT period of 2018, its value of 9.8 mln USD represents only 2.5% of Indian exports to Hungary.

2. Important India related statements of commercial significance by political leaders, think tanks, chambers, associations etc:

During the press conference for the investment by Flex Films on 21st November 2018 FM Péter Szijjártó highlighted:

“India has now become the ninth most important investor in Hungary. Thanks to these investments, bilateral trade flow between the two countries has also begun to increase dynamically, achieving 665 million dollars last year, with exports increasing by 22 percent during the first eight months of this year and trade flow increasing by 9 percent”.

3. Market access:

- **Alerts on SPS/TBT notifications, import procedures, export restrictions put in place; change in trade policy:**

S. No.	Notification no. and date	Product	Distribution Date	Comment Deadline
Alerts related to import procedures, export restrictions and changes in trade policy are based on EU regulations and not decided bilaterally by Hungary.				

NIL during the period of report

- **Alerts on Trade Defence Measures taken by respective country: (Special Safeguard, antidumping, CVD or Anti-subsidy)**

S. No.	Notification no. and date	Details of products / sectors affected	Effective from

NIL during the period of report

- **Feedback from major Indian industries/ other commercial concerns set-up in that country and Indian trade visitors to that country**
- **Feedback on major trade fairs / BSM including Indian participation (whether or not supported by MAI funds)**

S. No.	Particulars of Trade Fair, dates etc.	Number of participants from India	List of large participants	Feedback received

NIL during the period of report.

Upcoming Trade Fairs in Hungary:

(I) <u>AGROMASHEXPO 23-26 January 2019</u>
(II) <u>FEHOVA 7 - 10th February 2019</u>
(III) <u>BUDAPEST BOAT SHOW 21 - 24th February 2019</u>
(IV) <u>TRAVEL 21 - 24th February 2019</u>
(V) <u>CONSTRUMA & HOME DESIGN 3-7 April 2019</u>
(VI) <u>CONSTRUMA GARDEN & HUNGAROTHERM 3-7 April 2019</u>
(VII) <u>INDUSTRY DAYS – MACH TECH -14-17 May 2019</u>

Further information: www.hungexpo.hu

e. Feedback from local commercial visitors to trade fairs in India, including under BSM. Number of Business Visas issues:

S. No.	Particulars of Trade Fair, dates etc.	Number of participants	List of large participants	Number of Business Visas issued	Feedback received

NIL during the period of report.

VISAS

Number of Regular Visas issued	(Nov)	60
Number of Business Visas issued	(Nov)	27

• **Investment:**

• **Opportunities for investments/assets on offer/major company divestment:**

S. No.	Particulars of the asset/company	Contact details

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

• **Information on Tender Notices of interest to Indian project exporters (USD 15 million & above)-**

a.) The Hungarian Public Procurement Authority is the official body for public procurement tenders: <http://www.kozbeszerzes.hu/english/>

b.) European Union Tenders Electronic Daily, the main official database of English language public procurement tenders from Hungary: <http://ted.europa.eu/TED/search/search.do>

• **Information regarding upcoming major investments in India from respective country:**

S. No.	Particulars of the asset/company	Sector of Investment	Quantum of Investment

Nil at the time of the report

• **Details of trade research, information, dissemination activity of the commercial wing:**

S. No	Nature of activity (trade research, information dissemination, seminars, etc)	Details (date, venue & number of participants, copy of research sent to DOC)

Publicity of upcoming Indian Trade Fairs:

The Embassy gave publicity to the following events:

- 14th International Mining and Machinery Exhibition, 31st Oct to 3rd Nov, 2018
- 15th CII Global SME Business Summit 19-20 December 2018, New Delhi
- 2nd Global Textile Technology and Engineering Show 2019, Jan 18-20
- CII Partnership Summit 2019 Jan 12-13 Mumbai
- Global Aviation Summit 2019 Jan 15-16, Mumbai
- 9th International Micro Irrigation Conference 9IMICE 16-18 Jan 2019
- Global Economic Zones Expo and Convention 27-29 March 2019, New Delhi.

• Details of activities conducted out of Trade Promotion budget:

BE for 2018-19 Rs.	RE for 2017-18 Rs.	Amount utilized (till NOV 2018) Rs.	Details of Activity
427,000	500,000	352,333	<p>Purchase of Make in India yoga T-shirts in connection to the 4th IDY and 3rd Ganga Danube Cultural Festival</p> <p>Expenditure towards delivery of 100 pcs of Shawls with Make in India Logo for distribution at various events</p> <p>Subscription of HBI.hu and Partnercontrol.hu databases</p>

- **Action taken on the previous JWGs, Joint Commissions, sub-commissions etc. (issues that Mission had to follow up with host government):** The 5th JCEC and 10th S&T Meeting was held on 7th March and 21st March 2018 respectively. Follow up on a number of issues is being made such as agriculture, water management, science and technology funding, trade frauds, etc.
- **Trade Queries for Imports/Exports (from Hungary for the month of November 2018)**

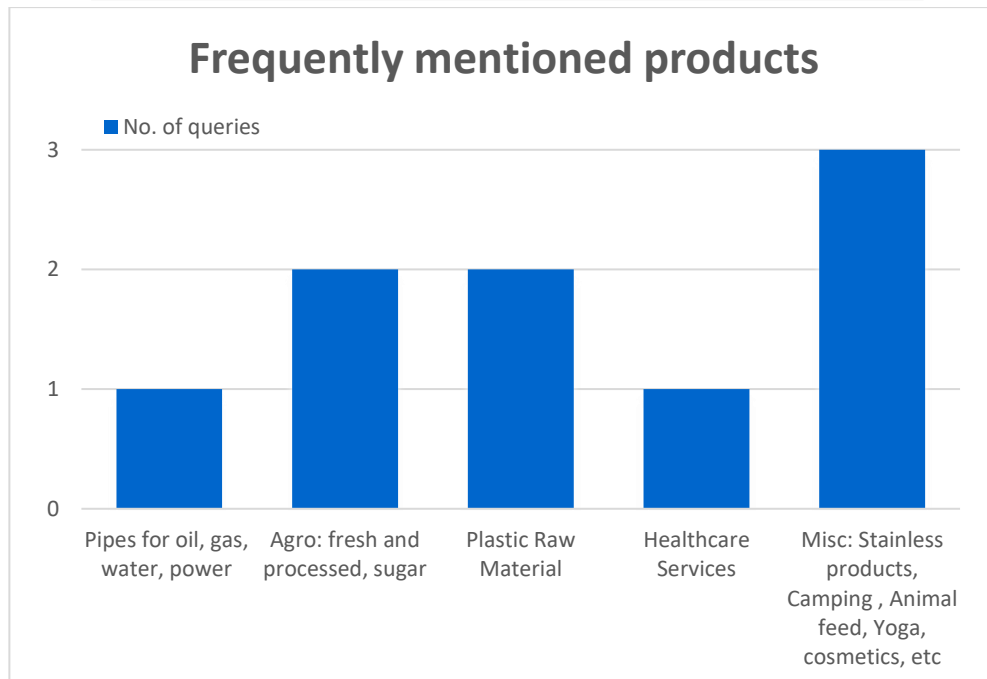
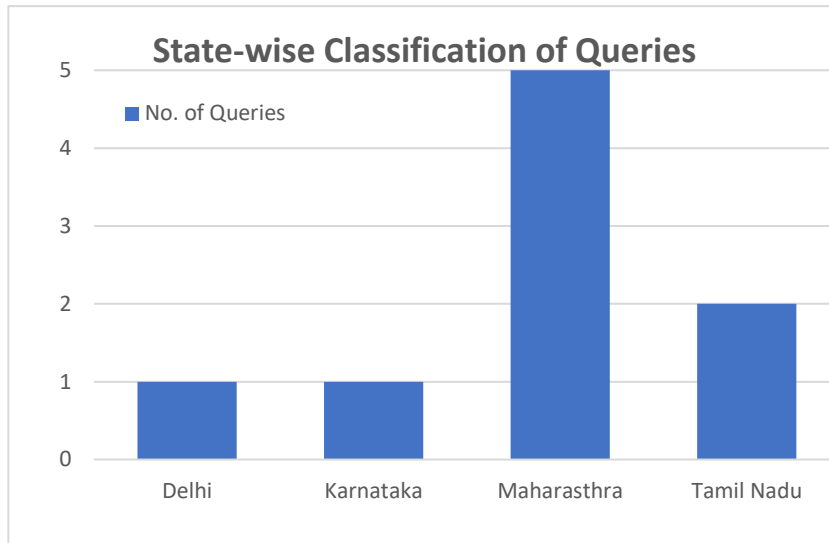
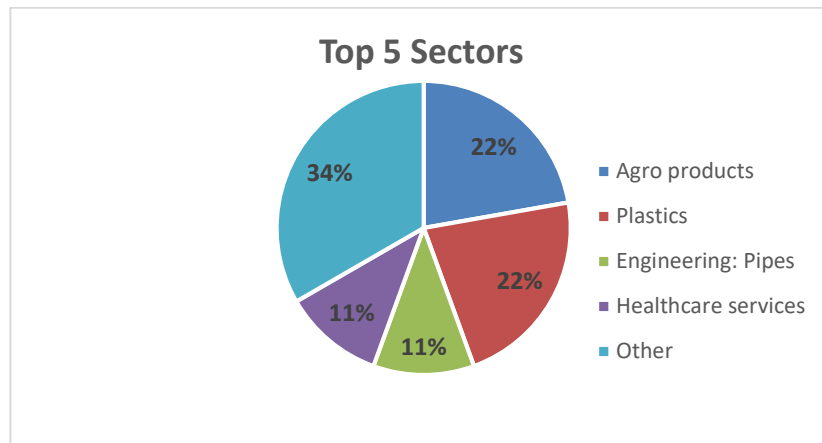
The Embassy received trade inquiries from 9 Indian companies and 2 Hungarian companies.

No.	Company	Contact person	Sector	Action Taken
1	JD Exporters	Shanmugam	Yoga	Answered
2	MAN Industries	Piyush Chilwarwar	Engineering: pipes	Answered
3	Ajay Weber International	LS. Sivakumar	Miscellaneous	Answered
4	Apeksha Export LLP	Satyajit Raut	Agro: Jaggery/Sugar	Answered
5	VJS Pharmaceuticals Pvt Ltd	Mannu Shukla	Cosmetics	Answered
6	Taas International	Akash Kolapkar	Misc agro products: fruit, jaggery, vegetables, spices	Answered
7	CHD Group	Dr. Edmund Fernandez	Healthcare	Answered
8	Giantsequa Exim Private Limited		Plastics	Answered
9	Apeksha Export LLP	Satyajit Raut	Plastics	Answered

FAQs on trade queries have been created and uploaded on the Mission's website

<http://www.eoibudapest.gov.in/page-link/?page=trade-s-and-t>

ANALYSIS OF TRADE QUERIES RECEIVED



8. Any Other Issue of Importance:

1. **EC raises growth forecast for Hungary:** The European Commission raised its projections for Hungary's GDP growth in 2018 and 2019 to 4.3% and 3.4%, respectively, from 4% and 3.2%, in a biannual forecast. The Commission expects economic expansion to slow to 2.6% in 2020. The government's forecasts are 4.3% for 2018 and 3.8% for 2019. GDP growth was 4.9% in the second quarter, supported by pro-cyclical fiscal and monetary policies.
2. **OECD warns of overheating economy:** Hungary's GDP growth will slow down in the next two years, from an estimated 4.6% this year. The OECD warned that the economy is at risk of overheating, and advised that the time for phasing out growth incentives has arrived. The economic growth also creates an opportunity for the government to launch medium and long-term measures, such as reforming the health and pension systems of the ageing society.

Average Monthly Exchange rates for November 2018

1US\$= 283.79 HUF

1EUR= 322.31 HUF

Source: MNB-Hungarian National Bank www.mnb.hu

**Embassy of India
Budapest**

**ECONOMIC AND COMMERCIAL REPORT
FOR THE MONTH OF NOVEMBER 2018**

Bosnia & Herzegovina (BiH)

Trends in bilateral trade JAN-OCT 2018:

Source: Eurostat (<http://epp.eurostat.ec.europa.eu>)

	BiH's Imports	BiH's Exports	Total	Growth% of Import (y-o-y)	Growth% of Export (y-o-y)
BiH's trade with India (mln)	63.9 USD 53.7 EUR	7.2 USD 6.1 EUR	71.1 USD 59.8 EUR	+6.9% +0.3%	+29.1% +21.2%
BiH's Total Global Trade (mln)	9,809 USD 8,247 EUR	6,028 USD 5,068 EUR	15,837 USD 13,315 EUR	+14.3% +7.3%	+16.0% +8.9%

Analysis: In the period of January to October 2018, in USD terms, exports to India increased by 29.1% and imports from India grew by 6.9%. Balance of trade is in India's favour in value of USD 56.7 mln. In EUR terms, exports to India increased by 21.2%, while imports from India grew by 0.3%. The balance of trade is in India's favour in value of EUR 47.6 mln.

Top 10 items of export to India from BiH

Product	2018 JAN-OCT	% growth	% total
Total	7.2	29.1%	100.0%
28 - INORGANIC CHEMICALS; ORGANIC OR INORGANIC COMPOUNDS OF PRECIOUS METALS, OF RARE-EARTH METALS, OF RADIOACTIVE ELEMENTS OR OF ISOTOPES	5.7	43.8%	79.3%
48 - PAPER AND PAPERBOARD; ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD	0.6	-8.0%	7.7%
79 - ZINC AND ARTICLES THEREOF	0.3	72.4%	3.8%
44 - WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL	0.2	549.6%	3.3%
73 - ARTICLES OF IRON OR STEEL	0.1	19.3%	1.6%
84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	0.1	-46.8%	1.1%
22 - BEVERAGES, SPIRITS AND VINEGAR	0.1	86.5%	0.8%
38 - MISCELLANEOUS CHEMICAL PRODUCTS	0.0	7.8%	0.7%
85 - ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES	0.0	-65.6%	0.6%
72 - IRON AND STEEL	0.0	-68.8%	0.3%

Top 10 items of export to the World from BiH

Product	2018 JAN-OCT	% growth	% total
TOTAL	6,027.6	16.0%	100.0%
27 - MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	601.5	42.4%	10.0%
94 - FURNITURE; BEDDING, MATTRESSES, MATTRESS SUPPORTS, CUSHIONS AND SIMILAR STUFFED FURNISHINGS; LAMPS AND LIGHTING FITTINGS, NOT ELSEWHERE SPECIFIED OR INCLUDED; ILLUMINATED SIGNS, ILLUMINATED NAME-PLATES AND THE LIKE; PREFABRICATED BUILDINGS	585.0	7.5%	9.7%
44 - WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL	401.3	8.1%	6.7%
84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	387.4	15.5%	6.4%
76 - ALUMINIUM AND ARTICLES THEREOF	375.5	22.4%	6.2%
64 - FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	371.3	15.0%	6.2%
73 - ARTICLES OF IRON OR STEEL	357.6	31.4%	5.9%
85 - ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES	340.5	22.5%	5.6%
28 - INORGANIC CHEMICALS; ORGANIC OR INORGANIC COMPOUNDS OF PRECIOUS METALS, OF RARE-EARTH METALS, OF RADIOACTIVE ELEMENTS OR OF ISOTOPES	320.1	10.6%	5.3%
72 - IRON AND STEEL	314.8	29.3%	5.2%

Top 10 items of Import from India to BiH

Product	2018 JAN-OCT	% growth	% total
TOTAL	63.9	6.9%	100.0%
84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	14.3	19.6%	22.4%
09 - COFFEE, TEA, MATÉ AND SPICES	8.4	-12.1%	13.2%
64 - FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	3.5	6.7%	5.4%
41 - RAW HIDES AND SKINS (OTHER THAN FURSKINS) AND LEATHER	3.2	13.9%	5.0%
25 - SALT; SULPHUR; EARTHS AND STONE; PLASTERING MATERIALS, LIME AND CEMENT	3.0	12.3%	4.7%
56 - WADDING, FELT AND NONWOVENS; SPECIAL YARNS; TWINE, CORDAGE, ROPES AND CABLES AND ARTICLES THEREOF	2.7	34.3%	4.3%
52 - COTTON	2.2	-20.0%	3.5%
62 - ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, NOT KNITTED OR CROCHETED	2.0	-3.6%	3.1%
30 - PHARMACEUTICAL PRODUCTS	1.8	11.1%	2.9%
29 - ORGANIC CHEMICALS	1.7	32.3%	2.6%

Top 10 items of Import from the World to BiH [USD Million]

Product	2018 JAN-OCT	% growth	% total
TOTAL	9,808.9	14.3%	100.0%
27 - MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	1,460.3	19.3%	14.9%
84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	776.7	17.4%	7.9%
87 - VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	682.4	13.9%	7.0%
85 - ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES	563.6	6.7%	5.7%
39 - PLASTICS AND ARTICLES THEREOF	519.9	15.1%	5.3%
72 - IRON AND STEEL	362.5	37.3%	3.7%
30 - PHARMACEUTICAL PRODUCTS	287.4	12.1%	2.9%
73 - ARTICLES OF IRON OR STEEL	271.0	10.0%	2.8%
76 - ALUMINIUM AND ARTICLES THEREOF	183.6	34.6%	1.9%
48 - PAPER AND PAPERBOARD; ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD	178.2	18.2%	1.8%

(VI) Top 5 Competitors of India's Top 5 Exports to BiH in JAN-OCT 2018

S. No.	Commodity	Competitors		Amount (In millions of US\$)
1	84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	1.	GERMANY	131.1
		2.	CHINA	113.5
		3.	ITALY	96.2
		4.	SLOVENIA	44.6
		5.	TURKEY	43.8
2	09 - COFFEE, TEA, MATÉ AND SPICES	1.	BRAZIL	28.8
		2.	ITALY	7.2
		3.	VIETNAM	1.6
		4.	CROATIA	1.5
		5.	UGANDA	1.0
3	64 - FOOTWEAR, GAITERS AND THE//ARTICLES	1.	ITALY	42.3
		2.	CHINA	38.6
		3.	VIETNAM	14.7
		4.	SERBIA	9.0
		5.	AUSTRIA	8.1
4	41 - RAW HIDES AND SKINS (OTHE//LEATHER	1.	ITALY	55.6
		2.	SLOVENIA	43.1
		3.	CROATIA	12.4
		4.	AUSTRIA	10.8
		5.	GERMANY	10.5
5	25-SALT; SULPHUR; EARTHS AND//CEMENT	1.	CROATIA	30.8
		2.	GREECE	4.0
		3.	SERBIA	3.1
		4.	ITALY	2.2
		5.	TURKEY	1.9

Source: Eurostat (<http://epp.eurostat.ec.europa.eu>)

(VII) Bilateral Investment (Source: News, local media)

S. No.	Name of Company	Secor	Amount (US\$ million)

NIL during the period of report

(VII) Global Investment (Source: News, local media.)

S. No.	Name of Company	Secor	Amount (US\$ million)

NIL during the period of report

(iX) Significant trends in trade and investment in JAN-OCT 2018

Source: Eurostat (<http://epp.eurostat.ec.europa.eu>), News, local media.

Details of significant trends	Analysis
(HS 84) NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	The product group exhibited a growth of 19.6% in JAN-OCT 2018 over the same period of 2017 and represents 22.4% of total Indian exports to BiH with 14.3 mln USD.
(HS 09) COFFEE, TEA, MATÉ AND SPICES	The product group fell back by 12.1% in JAN-OCT 2018 over the same period of 2017. It represents 13.2% of total exports to BiH with 8.4 mln USD.
(HS 64) - FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	Trade increased by 6.7% in JAN-OCT 2018 over the same period of 2017. However, it represents only 5.4% of total Indian exports to BiH with a value of 2.33.5 mln USD.
(HS 41) RAW HIDES AND SKINS (OTHER THAN FURSKINS) AND LEATHER	Trade increased by 13.9% in JAN-OCT 2018 over the same period of 2017 in this product group. However, it represents 5.0% of total Indian exports to BiH with 3.2 mln USD.
(HS 25) - SALT; SULPHUR; EARTHS AND STONE; PLASTERING MATERIALS, LIME AND CEMENT	The product group increased by 12.3% in JAN-OCT 2018 over the same period of 2017. It represents 4.7% of total exports to BiH with only 3.0 mln USD.

2. Important India related statements of commercial significance by political leaders, think tanks, chambers, associations etc: NIL during the period of report

3. Market access:

- Alerts on SPS/TBT notifications, import procedures, export restrictions put in place; change in trade policy:

S. No.	Notification no. and date	Product	Distribution Date	Comment Deadline
				-

NIL during the period of report

- Alerts on Trade Defence Measures taken by respective country: (Special Safeguard, antidumping, CVD or Anti-subsidy)

S. No.	Notification no. and date	Details of products / sectors affected	Effective from

NIL during the period of report

Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, Department of Foreign Trade Policy and Control and Protection Measures deals with such issues:

<http://www.mvteo.gov.ba/>

- Feedback from major Indian industries/ other commercial concerns set-up in that country and Indian trade visitors to that country:
- Workers Demand That Coke Plant Stays Online:** Hundreds of workers at a major metallurgical coke producer took to the streets of Sarajevo in protest after the company was ordered to halt production due to environmental concerns. Local authorities say Global Ispat Koksna Industrija Lukavac, or GIKIL, majority owned by Dubai-based Global Steel Holdings Ltd and linked to India's wealthy Mittal family, has breached environmental standards. The company, based in the northern town of Lukavac, employs 1,000 people who now fear they may lose their jobs. GIKIL is Bosnia's fourth biggest exporter, selling to Europe and Asia. It has said it is taking steps to improve

environmental standards. In August, Bosnian authorities gave the plant a 30-day deadline to gradually suspend operations in order to prevent major environmental damage and detained its General Manager, who was later released. After the warning, GIKIL implemented new security measures and invested about 3 million Euros as a first step to improve environmental standards at the plant. However in November an inspectorate in the Federation entity issued a final order for GIKIL to stop production indefinitely, after accusing the company of discharging toxic liquid waste into the nearby Spreca river, a tributary of the Sava, which flows through Bosnia, Croatia, Serbia and Slovenia.

- **Feedback on major trade fairs / BSM including Indian participation (*whether or not supported by MAI funds*):**

S. No.	Particulars of Trade Fair, dates etc.	Number of participants from India	List of large participants	Feedback received
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TRADE FAIRS in Bosnia and Herzegovina

INTERIO	International fair of forestry, wood, furniture and interior design	Sarajevo	March 2019	www.skenderija.ba
MOSTAR FAIR	International Economy Fair Mostar	Mostar	April 9-13, 2019	www.mostar-fair.com
ENERGA	International trade fair for energy, industry and mining	Sarajevo	June 11-13	www.skenderija.ba
RENEXPO	International Trade Fair and Conferences on Renewables and Energy Efficiency	Sarajevo	October 23-24	www.renexpo-bih.com

<https://www.tradefairdates.com/Fairs-Bosnia-and-Herzegovina-Z18-S1.html>

- e. **Feedback from local commercial visitors to trade fairs in India, including under BSM. Number of Business Visas issues:**

S. No.	Particulars of Trade Fair, dates etc.	Number of participants	List of large participants	Number of Business Visas issued	Feedback received
1.					

NIL at the time of the report

VISAS

Number of Tourist Visas issued	(Oct)	0
Including number of Business Visas	(Oct)	1

*figures not received from Ministry at the time of the report

- **Investment:**
- **Opportunities for investments/assets on offer/major company divestment:**

S. No.	Particulars of the asset/company	Contact details

- **Republika Srpska to Sell Majority Stake in RZR Ljubija at Auction:** The government of Republika Srpska entity plans to sell its 65% shareholding interest in iron ore mining company RZR Ljubija at an auction on December 17, the company said. The RS aims to sell 33,005 million RZR Ljubija shares with the starting price in the auction set at 2.0912 KM (1.069 euro) per share, the company said in a filing to the Banja Luka Stock Exchange. In May, the RS government put RZR Ljubija on its 2018 privatization plan.
- **Information on Tender Notices of interest to Indian project exporters (USD 15 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 (Euopeaid tenders):
http://europa.ba/?page_id=320
- **Information regarding upcoming major investments in India from respective country:**

S. No.	Particulars of the asset/company	Sector of Investment	Quantum of Investment

NIL at the time of the report

- **Details of trade research, information, dissemination activity of the commercial wing:**

S. No	Nature of activity (trade research, information dissemination, seminars, etc)	Details (date, venue & number of participants, copy of research sent to DOC)

Publicity of upcoming Indian Trade Fairs:

The Embassy gave publicity to the following events:

- 14th International Mining and Machinery Exhibition, 31st Oct to 3rd Nov, 2018
 - 15th CII Global SME Business Summit 19-20 December 2018, New Delhi
 - 2nd Global Textile Technology and Engineering Show 2019, Jan 18-20
 - CII Partnership Summit 2019 Jan 12-13 Mumbai
 - Global Aviation Summit 2019 Jan 15-16, Mumbai
 - 9th International Micro Irrigation Conference 9IMICE 16-18 Jan 2019
 - Global Economic Zones Expo and Convention 27-29 March 2019, New Delhi.
- **Details of activities conducted out of Trade Promotion budget:**

BE for 2018-19 Rs.	RE for 2018-19 Rs.	Amount utilized (till NOV 2018) Rs.	Details of Activity
427,000	500,000	352,333	Participation in the Mostar International Trade Fair Purchase of Make in India yoga T-shirts in connection to the 4th IDY and 3rd Ganga Danube Cultural Festival Expenditure towards delivery of 100 pcs of Shawls with Make in India Logo for use in various events Subscription of HBI.hu and Partnercontrol.hu databases

Action taken on the previous JWGs, Joint Commissions, sub-commissions etc. (issues that Mission had to follow up with host government): Mission is exploring possible export of surplus sugar to BiH.

• **Trade Queries for Imports/Exports (from BiH for the month of November 2018)**

The Embassy received *nil* inquiries/questions/initiatives from Bosnian companies:

No.	Company	Contact person	Sector	Status
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The Embassy received 1 trade inquiry from Indian companies:

No.	Company	Contact person	Sector	Action Taken
1	CHD Group	Dr. Edmund Fernandez	Healthcare	Answered

8. Any Other Issue of Importance:

- Doing Business Report: Bosnia Drops Three Places:** Bosnia fell three places in the Doing Business report on the ease of doing business in the world. According to the World Bank's 2019 report, Bosnia was placed 89th, far behind the rest of the Western Balkan countries. The best ranking regional country is Macedonia which was places 10th, followed by Kosovo (44), Serbia (48), Montenegro (50) and Albania (63).
- EBRD Lowers Bosnia's Economic Growth Forecast Due to Slow Reforms:** The European Bank for Reconstruction and Development said it lowered Bosnia's economic growth forecast for 2018 to 3.0% from 3.3% projected earlier. Reforms have slowed down in 2018 in advance of the general elections held in early October 2018, and the latest review of the International Monetary Fund program has been on hold because of concerns over new spending proposals in both entities, the EBRD said in its latest Regional Economic Prospects report.

Average Monthly Exchange rates for November 2018

1US\$= 1.720052 KM

1EUR= 1.955830 KM

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

Sanjeev Manchanda
 Second Secretary (Com/Pol)/CR
 Embassy of India
 Budapest
 Dated: January 14, 2018