India-Hungary Relations

India and Hungary have enjoyed close and friendly relations since establishment of diplomatic relations in 1948. The relationship has been substantive and multifaceted. Hungarians are extremely grateful to India for India’s role in 1956 Uprising in Hungary. India’s intervention with Soviet Union saved the life of Dr. Arpad Goncz who subsequently served as President of Hungary from 1990 to 2000.

Since 1990, India and Hungary have signed several Agreements that have contributed to further intensification of bilateral relationship. These include: Double Taxation Avoidance Agreement, Bilateral Investment Protection and Promotion Agreement, Social Security Agreement, Agreements on Cooperation in Health, Agriculture, IT, Science and Technology and Defence. Both countries commemorated the 50th anniversary of establishment of diplomatic relations in 1998.

The visit of Prime Minister Gyurcsany took place during the 60th anniversary of establishment of diplomatic relations in 2008. Senior dignitaries from Hungary who visited India include Foreign Minister Kinga Goncz (Nov 2006), Finance Minister Janos Veres (January 2007), former Prime Minister Peter Medgyessy (January 2007), Culture and Education Minister Istvan Hiller (October 2007), Agriculture Minister Jozsef Graf (January 08), Defence Minister Imre Szekeres (February 08), Foreign Minister Janos Martonyi (October 1999), Foreign Minister Peter Balazs (January 2010) and Speaker of Hungarian National Assembly, Dr. Laszlo Kover visited India (November, 2012). Prime Minister Viktor Orban visited India (16-18 October 2013), he was accompanied by large business and official delegation. Foreign Minister Dr. Janos Martonyi visited India (11-12 November 2013) to attend ASEM Foreign Ministers’ meeting (ASEM FMM11).

From India we have had visits by Culture and Tourism Minister Ambika Soni (November 2006), Minister of State for External Affairs Shri Anand Sharma (September 2008), Minister of State for Youth Affairs and Sports, Dr. M.S. Gill (November 2008), CIM Shri Anand Sharma (February 2010), Minister of State for External Affairs Smt. Preneet Kaur (November 2010), Dr. Ashvini Kumar, Minister of State for Parliamentary Affairs (May 2011), Shri S.M. Krishna, External Affairs Minister (June 2011 for ASEM) and Shri Vilasrao Deshmukh, Minister of Science & Technology (November 2011 for World Science Forum Meeting). Shri Sachin Pilot, Minister of State for Communications and Information Technology visited Budapest to participate in the Budapest Conference on Cyberspace (October 4 -5, 2012). Shri Salman Khurshid, External Affairs Minister visited Budapest to address the Annual Conference of Hungarian Ambassadors (14-16 July, 2013) and Shri Harish Rawat, Minister of Water Resources visited Budapest to attend Budapest Water Summit (7-10 October 2013).
Meeting of Joint Working Group:

(i) Meeting of Joint Science & Technology Committee was held on 14 October 2013 in New Delhi.
(ii) Meeting of Joint Commission on Economic Cooperation was held on 15-16 October 2013 in New Delhi and
(iii) Meeting of Indo-Hungarian Joint Defence Committee was held on 30 September to 1st October 2013 in New Delhi.

Following Letter of Intents and MoUs were signed during the visit of Hungarian Prime Minister Mr. Viktor Orban to India from 16-18 October 2013:

1. Letter of Intent on Revision of Air Services Agreement
4. MoU on Cooperation in the areas of Defensive Aspects of Microbiological and Radiological Detection and Protection.
5. MoU on Cooperation in the field of Sports
6. MoU on Cooperation in the field of Traditional Systems of Medicine.

Commercial and Economic Relations:

Before changes in Hungary in 1990, India was major partner of Hungary in Asia in trade as well as economic fields, though it covered only a small proportion of international trade of Hungary. Over 25 joint ventures were established by Hungarian companies in India. Following the sweeping changes of 1990’s, rapid privatization of the economy, disappearance of traditional markets and influx of ‘Western’ investments resulted in dissolution of old commercial links, including with India. Bilateral trade which ranged between US$ 100-200 million in the 1980s could not be sustained in the mid 1990s. India-Hungary economic relations have again revived during the last few years, as both Hungary and India have both become globally integrated, our trade and investment cooperation has picked up and bilateral trade in 2011 was US $ 840 million. During 2012, the momentum could not be sustained owing to 42.7% decrease in Hungarian exports to India, though Indian exports increased by modest 2.7%. The value of bilateral trade during January-September 2013 was US$ 437 million.

Joint Economic Committee (JEC) provides the institutional framework for intergovernmental discussions on economic cooperation. Department of Industry is nodal agency from Indian side. Joint Business Council of Indian and Hungarian companies, set up in 1979 under an agreement between FICCI and Hungarian
Chamber of Commerce, undertakes promotion of direct contact between private business parties.

Indian investments in Hungary are witnessing an upswing in recent years. Investment flows are spread over several sectors such as IT, pharmaceuticals, power equipment, auto-components and food processing. TCS, Genpact, Sun Pharma, Crompton Greaves, SMR, Bakony Wipers, Orion, Hema Engineering and COSMOS are the major investors in Hungary. Indian investments in Hungary are in the range of US $ 1.5 billion employing more than 8,000 people in Hungary.

Science and Technology:

Cooperation in S&T is a focus area in India-Hungary relations. Hungary recognises India as a country with a well-developed R&D and ‘knowledge’ infrastructure. Hungary in turn, has established an excellent network of R&D institutions under the Hungarian Academy of Sciences (HAS). Under a framework agreement signed during the visit of PM of Hungary to India in 2008, an India-Hungary S&T Fund for Euro 2 million to promote joint research was established. The agreement envisages creation of a fund with a contribution of Euro 1 million by each side per annum. Suggested areas include green chemistry, bio-medicine and space (opto-electronics). Three networking conferences between Indian and Hungarian scientists in Bangalore (September 2009) and in Budapest (November 2009) and Goa (February 2010) were organized. During the visit of Minister of Science & Technology to Hungary in November 2011, the S&T Fund was operationalised. During the visit of Hungarian Prime Minister Mr. Victor Orban to India in October 2013, Letter of Intent to enhance contribution to Euro 2 million each to the Indo-Hungarian Strategic Research Fund was signed.

Agriculture:

An Agreement on Agriculture, Plant Quarantine and Protection and Animal Husbandry covering agricultural research and technology, agriculture production, horticulture and post harvest management, including cold chain, agro processing and agricultural marketing, was signed during the visit of Prime Minister of Hungary to India in 2008. Joint Working Group established under the Agreement met in New Delhi in February 2012.

Health:

With its long tradition of spa therapies and interest in Indian culture, there is considerable potential for promotion of Ayurveda in Hungary. An international
Ayurveda Conference was organised in September 2007 in Budapest. Similarly, an International Workshop on “Traditional Herbal Medicinal Products Directive (THMPD) and its impact on Ayurveda in Europe” was organised in March 2010 in Budapest. MoU on Cooperation in Health Sector, signed during the visit of the Hungarian PM to India in 2008, provides the necessary legal and political framework for cooperation in this sector, including Ayurveda. In October 2013, during the visit of Hungarian Prime Minister Mr. Victor Orban to India, MoU on Cooperation in the field of Traditional Systems of Medicine was signed.

Cultural Relations:

Generations of eminent Hungarian Indologists have laid the foundation of great respect and admiration that Hungarians have for Indian culture, philosophy, art and spiritual thought. These include Csoma de Korosi, Aurel Stein, Elizabeth Sass Brunner and Elizabeth Brunner. From Indian side, Rabindra Nath Tagore and Amrita Shergil have made significant contributions. Indology has always formed a major part of the work of the Department of Indo-European Studies at ELTE University. Sanskrit was formally included as a regular subject of study in the university in 1873. Under the bilateral Cultural Exchange Programme between India and Hungary, ICCR has been deputing a Visiting Professor of Hindi to the Department since 1992. There is considerable interest among Hungarians in Indian dances, music, yoga and meditations. There are more than 200 yoga centres and about 6 schools of Indian dances and music in Hungary. Indian cultural troupes visit Hungary from time to time.

India Cultural Centre:

India Cultural Centre in Budapest was formally opened during the visit of Minister of State for External Affairs Smt. Preneet Kaur to Hungary in November 2010. The Centre consists of an auditorium, a library and an exhibition hall. Regular cultural and other events are being organised at the Centre since January 2011.

Fellowships:

In order to strengthen the Indo-European Studies, India has established a Tagore Research Fellowship on Indology and Indian Studies at Department of Indo-European Studies, ELTE University. Similarly, under the scheme of “Propagation of Hindi Abroad”, Ministry of Human Resource Development, Government of India awards two scholarship slots every year to Hungarian nationals to learn Hindi at the Central Institute of Hindi, Agra. Under the ITEC programme, ten scholarships are allotted to Hungary every year.

Indian community:
There is a small resident Indian community of 400 in Hungary, mostly professionals in IT, those working in Indo-Hungarian joint ventures and a transient community of about 40 students who are studying in various universities in Budapest, Pecs, Szeged and Debrecen. From time to time, there is an exchange of research scholars and scientists for a period ranging from three weeks to six months under our exchange programmes. In addition, there are a few Indians who are married to local Hungarians and permanently settled in Hungary.

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December 2013