

# Hungary, Singapore mark 50 years of ties

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**F**RIENDLY relations between Hungary – located in the heart of the 500 million consumer strong integrated European Union market and an OECD high-income industrialised country – and Singapore have reached an important milestone, as the two countries this year mark 50 years of the establishment of diplomatic relations between them.

"In the past 50 years, Hungary and Singapore have built strong and cordial relations. Our multifaceted bilateral ties are dominated by economic and scientific cooperation," says István Szerdahelyi, Hungary's Ambassador to Singapore, in an interview with *The Business Times* on the occasion of the Hungarian national day today.

"Singapore is Hungary's largest trading and investment partner in Asean, and we believe that with a stable and growing economic environment, strategic geopolitical location and highly skilled workforce, Hungary can serve as a gateway to Singaporean businesses venturing into Central Europe," he adds.

Although both Hungary and Singapore are small countries located far from each other, there are still many common things. Just like Singapore, Hungary has an export-oriented open economy, and both countries are of the same view when it comes to basic principles and commitment to strengthening the rules-based multilateral system and free trade.

"We established diplomatic relations with Singapore in 1970 and a lot has happened in the past 50 years. Hungary, as a member of the European Union and Nato, working jointly with Czech Republic, Poland and Slovakia under the Visegrad Cooperation (V4), provides the engine of Europe's economic growth," says Dr Szerdahelyi.

"On the other hand, Singapore – one of the founding members of Asean, has also made remarkable achievements during the past five decades and went from third world to a first world country, and became a leading financial and economic hub in South-east Asia. But one

thing remains: Hungary and Singapore are stable, reliable and trustworthy friends," he adds.

The Hungarian ambassador highlights that bilateral relations are supported by frequent high level exchanges, and visits of business and government delegations.

"At the political level, the visit of PM Viktor Orbán to Singapore in 2017 was a significant milestone. He was accompanied by four cabinet ministers and a large business delegation and numerous agreements were signed to further enhance collaboration between Hungary and Singapore," says Dr Szerdahelyi.

"Last week, on 14th October, Hungarian FM Péter Szijjártó visited Singapore, making the first official European delegation visit since the pandemic broke out. He met with his counterpart and good friend FM Dr Vivian Balakrishnan and held meetings with Singaporean business partners," he adds.

As for growing economic ties, there are four key areas where bilateral cooperation between Singapore and Hungary can bring major benefits. These are the food and agriculture, space, defence and automotive industries.

On the occasion of the Hungarian National Day on Oct 23 and to mark 50 years of the establishment of diplomatic ties between Hungary and Singapore, Hungarian Post, together with SingPost, is launching a commemorative joint stamp issue. The graphic design by a Hungarian artist will feature iconic bridges from the two countries symbolising the warm and friendly relationship between Hungary and Singapore under the theme "building bridges".

"In terms of education, Hungary offers 30 full-fledged scholarships every year to Singaporean students in the framework of the Stipendium Hungaricum Programme. Owing to our high education standards and the more than 500 study programmes available in foreign languages, together with a safe environment, I highly encourage every Singaporean planning to study abroad to explore this opportunity and come to study in Hungary," says Dr Szerdahelyi.



**Hungarian Prime Minister Viktor Orbán (left) with PM Lee Hsien Loong (right) on a visit to Singapore in 2017. "We see great potential for more Singaporean companies to invest in Hungary," says Ambassador of Hungary, István Szerdahelyi.**

PHOTO: MCI

Cultural ties currently focus on music cooperation as there are several Hungarian and Singaporean artists with ties in each other's country. Hungary is proud that its classical music heritage is present in Singapore via the Kodály Academy of Music Singapore, whose founder previously studied in Hungary at the Kodály Institute of the Liszt Ferenc Academy of Music.

The Hungarian envoy says that despite its size, Hungary has a lot to offer to the world. "Few people know that Hungary has the highest number of scientific Nobel laureates per capita and the eighth highest number of Summer Olympic gold medals. Hungary is home to several World Heritage sites, thermal baths, wine regions and delicious cuisine.

"Once the pandemic situation allows, we will continue to enhance Hungary's visibility in Singapore by organising events that showcase Hungarian history, culture, traditions and gastronomy. Until then, we stick to social media and we are trying to reach out to as many Singaporeans as possible through virtual events."

Among new initiatives, Dr Szerdahelyi highlights the cooperation started with Singapore in the field of space technology. In February, Hungary participated in the Global Space and Technology Convention in Singapore with a national pavilion, where it signed a MoU with the Singapore Space Technology As-

sociation, which provides the framework for future collaboration and joint projects.

Dr Szerdahelyi says that the investment climate in Hungary is highly attractive, especially in the fields of electronics and manufacturing, automotive and technology sectors. These sectors continue to be the main growth drivers for Hungary due to the innovative drive instilled in Hungarians.

"We are also proud to share that Singapore headquartered companies like Patec Group and Thakral Corporation Ltd have offices and manufacturing plants in Hungary displaying Singapore's confidence in Hungary as a business hub," he says.

He gives the example of Singapore-based Thakral as a success story in Hungary. Hungarian TV manufacturer Orion Electronics Ltd started operations in 1913 as a consumer electronics business headquartered in Budapest, producing and supplying electronics globally.

The Thakral Group saw the business potential and invested in the company and in 1997 Orion Electronics became a subsidiary of the group. It is Thakral's only manufacturing site and logistics centre in the European Union as it recognised the potential and attractive economic climate that Hungary offers.

Another Singapore headquartered company, Patec Singapore, which is in the automotive sector, started with an automotive component production unit in Miskolc in 2008, and since then it has progressed with a

manufacturing facility of 15,000 square metres. This further confirms Singapore's trust in Hungary's business environment, says the Hungarian ambassador.

There are other success stories of Singapore investments in Hungary. For instance, Singapore's GIC acquired a 23 per cent stake in Budapest's Airport, and Keppel Infrastructure bought a 20 per cent stake in Hungarian owned but Swiss based energy company MET Group.

The Hungarian Investment Promotion Agency, besides providing management consulting services, supports interested companies right from selecting a business location to providing tailor made incentive offers and information on state aid available. Last year it brought in a record 101 projects worth 5.35 billion euros (\$8.59 billion), up 24 per cent over the previous year.

"Looking ahead, Hungary continues to be very interesting for foreign investors. Right now we have around 120 investment projects that we are in discussions about with investors. As for the origin of the investments, although the traditionally strong investor countries of Germany and the United States continued to be active in 2019, last year we saw a significant increase in investment from Asia. In 2019, the second most investments – 11 projects came from South Korea and the Japanese investments grew dynamically as well," says the Hungarian envoy.

"We are proud that Hungary is home to many manufacturing giants, such as BMW, Flex, Samsung, Audi, Mercedes-Benz, Continental and Bosch. We are working very closely with Singaporean business development organisations, like Enterprise Singapore and the Singapore Business Federation, to promote Hungary as a worthy investment destination to Singapore businesses who are interested to invest in the CEE (Central and Eastern Europe) region," he adds.

Due to the Covid-19 pandemic, Hungary's National Day event this year will be held online which can be followed on the embassy's FB page: [facebook.com/HunEmbassySingapore](https://facebook.com/HunEmbassySingapore)

**Sport SINGAPORE**

## Congratulations to the Government and People of Hungary on their National Day!

Celebrating our collaborative efforts in promoting a positive sporting culture amongst our athletes and citizens.

Photo by Zeaxsen

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**About HIPA**  
Hungarian Investment Promotion Agency (HIPA) is the national investment promotion organisation of Hungary. It provides professional consulting services to interested companies free of charge in a one-stop-shop service model, supporting them in selecting a business location, providing tailor-made incentive offers and information on state aid issues, identifying investment opportunities and dealing with public authorities.

**Our warmest congratulations and best wishes to the Government and people of Hungary in celebration of the National Day of Hungary and 50 years of diplomatic relations between Singapore and Hungary!**

**May we stand united in these challenging times, and forge stronger and more fruitful ties for a better future.**