

## TOWN PRESENTATION - HARKÁNY

**Harkány** is located in the southern part of Baranya County, near the Croatian border. Its greatest value is the **thermal water spring** discovered in the 19<sup>th</sup> century, on the basis of which one of the most frequented spa complexes of the region was established with significant tourist service capacities. The most important sector is **commercial accommodation**, but efforts are being made to introduce other economic sectors, mainly of an agricultural and service nature.

### Transport and logistics

Harkány is located on the south-western part of the Villány Mountains, **only 8.5 kilometres from the Croatian border**. **Main road 58**, which connects Pécs with Našice and Osijek in Croatia through Donji Miholjac, passes through the town. The road plays an **important transit role** and handles significant traffic accordingly. However, it does not pass through the centre due to the **bypass** built to the west of the town.

**Pécs is 26 km away**, while the district seat, Siklós, is only 6 km from the town. The nearest **primary main road** is Main road 6, which passes through Pécs. The nearest connection point of the **expressway network** is also located in Pécs: the **Pellérd-Pécs-West junction** can be reached by a **19 km** drive.

The two **most important transport corridors** of the town are road 58 leading to Pécs and the road connecting Harkány with Siklós. The **condition** of the former **shows a rather mixed picture**, it has been recently renovated near the towns and is in good condition, but the intermediate section needs to be repaired. The **Siklós road** is scaled for significantly less traffic and is of **adequate** quality.

It is important from the point of view of tourists that there are **dedicated bicycle paths** leading to Siklós and in the direction of the border crossing at Drávaszabolcs. The road is connected on the southern part of Drávaszabolcs to the comfortable and safe bicycle paths built on the Drava embankment, on which tens of kilometres of sections can be ridden in both eastern and western directions.

Harkány **does not have a railway connection**, the Hungarian State Railway has cancelled passenger traffic on the 62 extension line touching the town, and its reopening is currently not on the agenda. The nearest train station is 20 km away in Villány, but the Pécs Railway Station is also

within reach. The latter offers a wider range of options for both passenger and freight transport.

The **regional bus service** is of high quality, with lines departing in most directions with a convenient schedule and frequency. The most important directions are towards Pécs, and towards Mohács passing through Siklós and Villány. Connection is good in the direction of Vajszló and the small villages of the Ormánság region, from where the conditions for daily commuting are convenient. From the point of view of tourism, it is important that there is a **direct line connecting Harkány with Budapest** departing several times a day.

### Population and employment

According to the latest data, the population of Harkány is **4632**, which makes it the second largest settlement in the Siklós district. There has been a **slight upward trend** in the number of inhabitants in recent years. The immediate **urban environment** shows a rather mixed picture. At the foot of the Villány Mountains there are about **half a dozen small towns** and villages with more than a thousand inhabitants in the immediate vicinity of each other (Beremend, Harkány, Nagyharsány, Siklós and Villány), but further afield, however, the **small village structure** is typical on both the northern and southern sides of the mountains. This statement is especially true for the settlements of the Drávamente-Ormánság region west of Harkány.

The **working age population** in the entire **Siklós district** is **22,556**, of which **2274 are unemployed**. This means that **the proportion** of registered unemployed is **10.08%**, which is quite high in comparison with other districts of the county. Unemployment mostly affects those with primary and secondary education. 5.5% of the unemployed have no education, 49.69% have only completed primary school and 43.01% have a trade. The proportion of graduates within the unemployed is only 1.8%.

In terms of employment, **Harkány** is in a significantly favourable position than the district as a whole. Only **1.48%** of the 2912 working-age inhabitants **are unemployed**.

### Infrastructure and public services

Harkány essentially has a **modern infrastructure**. Due to the importance of tourism, higher-than-average emphasis is placed on the care of the settlement image. The **condition of the roads** within the town is good in both residential and recreational areas. The stormwater drainage system

is well developed in most of the populated area. Baranya-Víz Zrt. takes care of **the drinking water supply and sewage disposal**. The company's Harkány headquarters operates the town's wastewater treatment plant. District heating is not available in the town.

Administratively Harkány is part of the **Siklós district**. The territorial unit with more than 34 thousand inhabitants encompasses 53 settlements. Among the **district-level offices** Siklós houses the food chain safety and animal health office, the local authority and guardianship office, the employment and public health departments, the land register office and the **office of government issued documents**. The latter also has a **branch office** in Harkány, which is open every weekday.

The office of the **village consultants' network** of the National Chamber of Agriculture is available in Siklós.

All **basic health services** are available locally. There are one paediatrician's and two adult general practices, two district dental practices, a pharmacy, and nurse service in the town. There is medical service in the **Health Centre** that receives the patients, and the doctors there cover the care of more than half a dozen surrounding small settlements in addition to Harkány. The nearest ambulance is stationed in Siklós. The patients are to travel to Pécs for specialist appointments, various diagnostic and laboratory tests, and hospital care.

The **Zsigmondy Vilmos Spa and Balneological Hospital** is a special element of the local health care system. The institution has 302 beds, which makes it the third largest in the county. There is no active patient care, only rehabilitation treatments are available. **Utilization is practically at maximum**, in 2019 98.56% of the available nursing days were utilized.

There is **day care, kindergarten and primary school** in Harkány. The school, named after Pál Kitaibel, operates in a renovated building with modern equipment. In addition to traditional education, it offers art training as well. Students continuing their education can go to nearby high schools in Pécs and Siklós, vocational schools in Siklós and Villány in addition to the county seat.

Among **financial institutions**, Dél Takarékszövetkezet maintains a local branch. Other commercial banks are typically available in Pécs for administration in person.

A **lawyer** with a valid chamber membership practices law in the town. In case of legal disputes, the court of first instance is the **Siklós District Court**, and as appellate court the Court of Pécs can be appealed to.

The most important **micro-regional cooperation** of the area is the Siklós-based **Association of South Baranya Border Settlements**. It was established as a result of the cooperation between local governments, non-governmental organizations and entrepreneurs of 88 settlements in order to coordinate development ideas and to make more effective use of the region's strengths.

Harkány is a member of several local institution maintenance associations and **the Association of Hungarian Spa Towns**.

The municipality cooperates with several **higher education institutions**. It maintains a professional collaboration with the Faculty of Cultural Sciences, Education and Regional Development of the University of Pécs concerning areas related to tourism and hospitality, it provides internships in its spa institutions for the Faculty of Health Sciences of the University of Pécs, and there is regular cooperation with the Szent István University's Ybl Miklós Faculty of Architecture and Civil Engineering in connection with the town's architectural developments.

### **Major economic operators**

Harkány is a **tourism service provider settlement**. The economy is based on thermal water-based health and recreational tourism services and commercial accommodation. In terms of structure, Hungarian-owned, small and medium-sized companies are common, along with many sole proprietors and micro-enterprises with a few employees.

There is no shortage of high quality accommodation providers. Here are **the most hotels (14) in the county with at least three stars** or equivalent comfort provided. In addition to larger hotels, there are dozens of apartment houses to rent and several tenants let out rooms or floors as well. The hosting services are complemented by **14 restaurants**.

**Without being exhaustive**, the following are **some examples** of the most important enterprises in Harkány:

- **Polina Trade Kft.** – A Hungarian owned company with local roots engaged in the wholesale of cereals, seeds and tobacco. Number of employees in 2019: 6; sales revenue in 2019: HUF 2.39 billion
- **Harkányi Termál Rehabilitációs Centrum Közhasznú NKft.** – A state owned company operating the Zsigmondy Vilmos Spa Hospital. Number of employees in 2019: 303; sales revenue in 2019: HUF 1.96 billion.

- **Harkányi Gyógyfürdő Zrt.** – A municipally owned company that operates the town spa with all its services. Number of employees in 2018: 145; sales revenue: HUF 1.2 billion.
- **Gyógyszálló Szolgáltató Zrt.** – A Hungarian-owned company operating Thermal Hotel Harkány. Number of employees in 2018: 65; sales revenue in 2018: HUF 572 million (2019 figures not available).
- **Investeur Kft.** – A Hungarian-owned company operating Dráva Hotel Thermal Resort. Number of employees in 2018: 38; sales revenue: HUF 505 million (2019 figures not available).
- **Xavin Kft.** – A Hungarian-owned company operating Divina Boutique Hotel Harkány. Number of employees in 2019: 11; sales revenue in 2019: HUF 129 million.
- **Hotel Platán Kft.** – A Hungarian-owned company operating Komfort Hotel Platán. Number of employees in 2019: 17; sales revenue in 2019: HUF 107 million.

## Economic areas

The **development of the Harkány industrial park is currently underway**. The industrial zone is developed by the municipality in the northern part of the town, away from the central resort area, with a brownfield reconstruction. The area, once used as a machine station, offers perfect conditions for companies wishing to settle there. During the project, which is expected to be **completed by the end of 2020**, the town will construct the road network and the necessary infrastructure.

The primary goal of the project is to **diversify the local economy** and alleviate the over-dependence on tourism. The industrial park offers attractive solutions primarily **for SMEs**. Due to resort nature of the town, activities with a low environmental impact are preferred.

Some of the plots in the industrial park have already found an owner, currently **4.1 hectares of vacant land** are available, which can be purchased or rented from the municipality. In addition, the town has an **additional half hectare** of greenfield as well as brownfield land each that can be used for commercial purposes, while private owners also offer plots for sale.

The municipality **owns four properties suitable for offices** to be made available for entrepreneurs.

The **primary producer market** is partly covered and also has a hall. The entire infrastructure has been renovated recently. In addition to the usual services, a refrigerated warehouse is available for traders.

### **Economic support and tax policy**

The amount of the **local business tax** in Harkány is the statutory limit, that is, **2% of the tax base**. The amount of the **building tax** is HUF 600-1200/ m<sup>2</sup> per year, depending on the location of the property. **Reduced tax rate** applies to hotels and other tourism-related establishments.

With regard to the **land tax**, the regulation also defines several categories depending on the location and size of the area. HUF 10/m<sup>2</sup> per year is payable for plots in unincorporated areas. In the interior, the amount of tax is HUF 200/m<sup>2</sup> per year for estates up to 5000m<sup>2</sup>, and above that HUF 150 is payable.

The **tourist tax** is HUF 500 per guest a night.

The municipality is open to the **discounted sale** of the land it owns that is suitable for economic use. The terms and commitments expected from the investor are the subject of individual agreements.

### **Municipal investments**

The most important municipal investments are related to the spa. The renovation and expansion of the buildings, pools and leisure elements are taking place in several phases. According to the plans, the next step is to build the hall for leisure pool 3 and an outdoor pool, as well as to strengthen the family atmosphere by developing the pools for the outdoor children's area. Preparations are underway to transform the spa's current office building into a hotel and a new medical wing.

Under the **Green City Program**, greater emphasis is placed on the use of renewable energy. The most important element of this will be the construction of a **solar park** connected to the spa. Various **transport development** plans are constantly on the agenda: the most recent is the construction of a roundabout for the meeting point of the roads from Pécs and Siklós.

### **Contact**

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