

TOWN PRESENTATION – KOMLÓ

Komló is the second largest town in Baranya County. Its economy was dominated by mining for decades, so it was forced to undergo **radical restructuring** after the cessation of coal mining. Currently the town is characterized primarily by **small and medium-sized industrial companies** with local roots. Efforts are made to offset the logistical disadvantages due to the geographical location, including the municipality's **investment promotion policy**. The **advanced infrastructure**, the **wide range of** locally available educational, health and cultural **services**, as well as the significant traditions of technical professional cultures and **the availability of skilled tradespeople** help to make the city an attractive destination.

Transport and logistics

The former mining community is located in the heart of the Mecsek Mountains, which significantly affects the traffic conditions. Neither a highway nor a main road passes through, its most significant road, route 66 connecting Pécs with Kaposvár through Sásd, passes on the edge of the Sikoda resort area, near the town limits. The **main transport corridor** of the town is **the 20 km section leading to Pécs**, which is a main road only between Mánfa and the county seat, but its quality is impeccable despite the increased traffic.

The **nearest point of the expressway network**, the junction of motorway M6 in the southern part of Pécs, is 25 km away. Main road 6 lies 16 km away towards Hosszúhetény and 36 km away towards Bonyhád.

Komló **has its own rail connection** and railway station, although the role of the passenger line ending in the town is marginal. Passenger trains run to a single destination, to Dombóvár through Sásd, once a day in both directions. Because of the 9 AM departure from Dombóvár and the 12 AM departure from Komló, the trains are not really suitable for going to work or school, but in Dombóvár an Intercity line towards Budapest is available with a short connection time. Due to the unfavourable conditions of passenger traffic, the local line is **mainly used for freight forwarding**, as the town's mining heritage makes the Komló station suitable for loading larger quantities of goods onto trains.

The **regional bus service** is adequate: although with transfers in some places, but the town can be reached within an hour from most of the settlements of the Komló and Hegyhát districts. Buses run very frequently

to Pécs, which also carry passengers to long-distance buses and trains departing from the county seat. Budapest can be reached after a transfer in Pécs.

Population and employment

According to data collected in 2019, **Komló's population was 22,635**. The population of the another 18 villages and a large village belonging to the Komló district is 10,126 inhabitants in total. These are mostly small-village-style settlements that are aging gradually. Among these, only the population of Szászvár and Máza, which practically merged with it, exceeds a thousand people.

The proportion of the **registered unemployed** compared to the working age population in Komló was 4.35%. This is the third most favourable figure among the examined settlements, which is due on the one hand to the recent strengthening of local companies, and on the other to the proximity of the county seat and the possibility of commuting.

Infrastructure and public services

Komló's **infrastructure is extensive, developed and in good condition**. In the heyday of mining, the city planners considered a population twice as large as it is today, and the infrastructure created at that time is still available. The main roads of the city are in good condition, several of them have been completely renovated in recent years. Transportation between the long distances within the town is facilitated by a **local bus service**. Komló has its **own biomass-fuelled heating plant** and an associated district heating system, which can bring economic benefits through the use of renewable energy. The **town waterworks** belong to the local facility of Baranya-Víz, and provides water supply also to a further 27 settlements in two districts. The Komló **wastewater treatment plant**, which has recently undergone modernization and capacity expansion, supplies 15 settlements in the district.

Komló is naturally the **seat of the Komló district**, and is also home to the district office and its administrative departments. The town also houses an employment office, a public health department, a food chain safety and animal health office, and a local authority and guardianship office. The land register office and the office of government issued documents are also available locally.

The town **hospital** has a surgery, an internal medicine department, a nursing department and a special pulmonology and respiratory

rehabilitation department. In addition, more than two dozen different specialist clinics are available locally. The ambulance station responsible for servicing the area is located in Komló.

Komló's **high school** is a middle-ranking school based on the national graduation and competence results. The **technical school** trains IT, economics, and logistics professionals as well as social workers, while the **vocational school** focuses on the machinery and metal industries, tailored to the needs of the most important local economic sectors.

The quality of **human services** and demographic trends are characterized by the proportion of people attending certain types of school per a thousand people. The statistics show that 28 children go to kindergarten per a thousand inhabitants in the Komló district (the national average is 33, the county 32). From a thousand people, 60 go to primary school (national average: 74, county: 71), and the figures for high school students are similar: from a thousand people 10 go to high school (national average: 19, county: 20), 6 go to technical school (national average: 16, county: 12), and 6 go to vocational school (national and county average: 7).

Upon examining the availability of the most important **business services**, we find three **bank branches** in the town: K&H, OTP Bank and Dél Takarékszövetkezet all have their own local chapters.

Twelve **lawyers** with valid chamber membership practice law in Komló. The local district court serves as the first instance forum for law enforcement, and the second instance court operates in the county seat, Pécs.

Major economic operators

Komló's **economy is focused on industry and logistics**, the largest local companies are automotive suppliers and other machinery or electronics companies, which typically sell the majority of their production for export. Without being exhaustive, the following are some examples of the most important enterprises:

- **PI-ER Technical Kft.** – A waterproof technical and sportswear company; number of employees in 2019: 104; sales revenue in 2019: HUF 5.17 billion, of which HUF 4.69 billion came from exports (90.7%).
- **Lakics Gépgyártó Kft.** – A Hungarian-owned company engaged in the production of large-scale welded steel structures; number

of employees in 2019: 225; sales revenue in 2019: HUF 4.35 billion, of which HUF 3.78 billion came from exports (86.9%).

- **Polytec Komló Kft.** – An Austrian-owned company supplying polyurethane parts to car factories; number of employees in 2019: 198; sales revenue in 2019: HUF 3.19 billion, of which HUF 2.51 billion came from exports (78.7%).
- **Uni-System Bau Kft.** – A Hungarian-owned company engaged in the production and assembly of machine components and steel structures; number of employees in 2019: 89; sales revenue in 2019: HUF 2.31 billion, of which HUF 2.13 billion came from exports (92.2%).
- **Kalatherm Kft.** – A Hungarian-owned company with the main profile of producing plastic doors and windows; number of employees in 2019: 84; sales revenue in 2019: HUF 2.85 billion
- **RÁK Antenna Gyártó Kft.** – A company evolved from a Hungarian small enterprise engaged in the production, painting and varnishing of injection-moulded plastic parts, mainly for the automotive industry; number of employees in 2018: 79; sales revenue in 2018: HUF 1.41 billion, of which HUF 0.17 billion came from exports (12%). (2019 results not available.)
- **Rati Kft.** – A Hungarian owned company with the main profile of producing interior plastic parts for cars; number of employees in 2019: 56; sales revenue in 2019: HUF 1.09 billion, of which HUF 1.07 billion came from exports (98.1%).

Economic areas

Due mainly to geographical features, there are few municipally owned plots in Komló suitable for industrial development. However, the town administration provides easy access to the existing areas. Industrial plots have been **completely equipped** – or are in the process of being equipped – **with public utilities**, and companies can purchase them at **extremely affordable, in many cases symbolic prices**.

The town has **two industrial areas suitable for greenfield investments and three other properties that can be used for economic purposes** at the disposal of companies wishing to move in.

- On **Határ street** near Körtvélyes, a 10.000 m² and a 6.200 m² municipally owned commercial plot is available for investors. The properties are equipped with roads, sidewalks, public lighting, drinking water and sewage pipelines, industrial electricity and natural gas.

- In **Nagyrét street**, which is also close to Körtvélyes, the municipality has recently established 11 industrial plots with a total floor area of 4000 m². Industrial electricity is already available in the area, and it is expected that by the spring of 2021 complete public works will be installed (water, sewage, electricity, gas, public lighting, road, sidewalk, stormwater drainage).
- In **Altáró street** in downtown, on the site of the former mining bath, a multi-storey municipally owned building with a useful floor area of 3382 m² is available for companies. The property's complete renovation, energy modernization and connection to the utilities will be completed by the summer of 2021.
- In a closed school building located on **Ifjúság street** in Dávidföld, a four-storey property with a useful floor area of 3979 m² (basement, ground floor and two floors) is available on a 7409 m² plot. The municipally owned building is equipped with drinking water, sewage drain and electricity.
- On the outskirts of the town, at two topographical numbers on the **Zobák mine**, there are a 3.67 and a 9.13 hectare brownfield property awaiting industrial use. The plots are privately owned. Water, sewage, industrial electricity and district heating are provided in their surroundings, and they can be approached on a paved road.

For agricultural enterprises and local small farmers, the **farmer's market operating in the town market hall** provides opportunities for business. The practically completely renovated-rebuilt hall, which was opened in 2019, provides modern and comfortable conditions to meet all the needs of the merchants as well as the customers.

Economic support and tax policy

The municipality supports companies planning to invest with the **financial incentives** at its disposal. The following options are available to companies to **aid job creation**:

- Discounted real estate purchase or lease.
- Contribution to operational expenses related to job creation (wages, contributions, inventory financing).
- Carrying out works and conducting studies required for investments.
- Contribution to the training of prospective employees and their local housing.
- Interest rate subsidy.
- Supplementing tender capital.

The application can be submitted by companies, sole proprietors or individuals who have their registered office, site or branch in the town or wish to invest locally. The amount of the grant is decided in each case by the Board of Representatives. The exact amount and conditions of use are set out in the individual grant agreements between the parties. In most cases, a fixed amount of investment or number of employees is to be complied with in return for the grant.

The municipality offers **rent reductions** to operating businesses **for the purpose of retaining jobs**. All companies, sole proprietors and individuals who have rented non-residential premises from the town for at least six months and employ at least one permanent resident of Komló can apply for the discount.

The following types of discounts are available:

- Full rent waiver for up to one calendar year.
- Reduction of rent for up to one calendar year.
- Suspension of the contractual increase in rent for up to one calendar year.

The applications are decided by the competent committee of the municipality. The exact amount and conditions of use are set out in the individual grant agreements by the parties.

The amount of the **local business tax** in Komló is the statutory limit, that is, **2% of the tax base**. The amount of the **tourist tax**, however, falls short of the maximum allowed with HUF 385 per guest per night. This mainly affects hotels and guest houses in the Sikonda resort area.

The rate of building tax varies from HUF 300 to 1655 per year and per square meter, depending on the function of the building. Depending on the location, the land tax is between HUF 1 and 280, also per year and per square meter.

Municipal investments

In recent years, the municipality of Komló has made **significant efforts** to make **investments to improve the quality of life** of the inhabitants by obtaining tender funds. Among the projects financed by the several billion HUF from EU and government funds, the reconstruction of the **market hall**, the **energy modernization** of municipal institutions and kindergartens, the expansion of the **sewerage network** and the renovation of the sewage plant, the complete reconstruction of the **bus terminal** currently underway, and the renovation of many **roads**,

sidewalks and car parks, including the busy Munkácsy street and Petőfi Square, are noteworthy.

Contact

Komló Joint Municipal Office

7300 Komló, Városház tér 3.

Email: polgarmester@komlo.hu

Telephone: 72/584-000