

TOWN PRESENTATION – MÁGOCS

Mágoics is located on the northern edge of Baranya, right on the border of Tolna County, in the catchment area of Dombóvár. It is basically an **agricultural settlement with a significant machine industry tradition**, so not surprisingly nowadays it is home to a major agricultural company group and several industrial enterprises. The town welcomes additional investors with two core economic areas with developed infrastructure and favourable tax opportunities.

Transport and logistics

The **geographical location of the town is quite special**. Although it belongs to Baranya, it is located on the very northern edge of the county, so its natural **transport connections point more towards** the neighbouring counties of **Somogy and Tolna**. The **county seat is 50 km away on the shortest route**, and in addition, one has to cross the winding roads of the Mecsek Mountains to reach it. Meanwhile, Kaposvár is only 40 km, Szekszárd is 54 km away, and both cities can be approached on a mostly flat road.

The town is **quite far from the expressway network**. The Pécs-East junction of motorway M60 and the Szekszárd on-ramp of the M6 are both **55 km away**. Of the one or two-digit main routes, the **6 can be reached at Bonyhád** after 30 km, and the **61** connecting Siófok with Kaposvár, **at Dombóvár**, at a distance of about 15 km. The situation will be radically changed by the completion of the planned M9 motorway, which will in any case pass near the town, regardless of whether its route is eventually diverted towards Pécs or Szekszárd.

Although in a somewhat odd fashion, but the **town has direct rail connection**. Line 50 connecting Dombóvár with Bátaszék passes south of the town, but **the railway station** officially named Mágoics-Alsómocsolád **is 5 km away from Mágoics**. For this reason the **railway does not play a significant role in passenger transport**, despite the fact that 4-5 pairs of trains run daily, most of them to Baja. In addition, Budapest can be reached via Dombóvár with favourable transfer times. However, **for freight purposes, rail is an ideal transport solution**, especially for agricultural crops or other heavy goods. Not primarily due to the small size of the Mágoics station, but the proximity of the Dombóvár junction that satisfies all needs.

In terms of **regional bus transport**, Mágocs is mostly only an intermediate stop, direct lines only depart towards the southern neighbouring village of Alsómocsolád. However, **the connections are good**, although rare: one can get directly to Pécs, Kaposvár and also Szekszárd without a transfer. Due to geographical conditions, the buses run in the direction of Szászvár-Bonyhád and Szászvár-Komló, and to the west in the direction of Dombóvár and Sásd.

Population and employment

According to the latest data, the population of Mágocs is **2191**, which makes it the smallest town in the county, but it is the second largest settlement in the Hegyhát district which has a total population of more than 11,000. The **immediate environment consists of small villages**: with the exception of the county seat, Sásd, and Vásárosdombó, the district comprises of 19 villages with a population of less than 500 and two other villages with a population between 500 and 1000. As a result of this urban geographical situation, **Mágocs has a traditional central role** regarding both employment and public services.

The working age population in the district is 7697, of which 657 are jobseekers. That means that **the proportion of registered unemployed is 8.54%**. Among the unemployed, the **proportion of those with a low level of education is relatively high**: 11.26% have no education at all and 50.08% have only a primary school certificate. 37.45% of the jobseekers have some form of vocational qualification and 1.21% have a college or university degree.

The employment situation in the settlement itself is more favourable: only **2.89%** of the working age population of 1488 is unemployed.

In addition to those who are employed locally, many took up work in neighbouring towns. The main destinations of **commuters** are Dombóvár and Sásd, as a daily commute towards Kaposvár or Komló would take too much time without a corporate shuttle.

Infrastructure and public services

The infrastructure of Mágocs is of adequate quality. Mezőföldi Regionális Víziközmű Kft., which is active in several counties, manages **the water supply and the wastewater treatment**. The town has its **own sewage treatment plant**. District heating service is not available in the town.

Mágocs belongs to the Sásd-centered **Hegyhát district**. Accordingly, **district-level offices are not available locally**. Although there is a **branch office** in Mágocs, only matters of a social nature (nursing fee, public health care, social security, etc.) can be managed there. In addition, the authority and guardianship office and the office of government issued documents are available in Sásd. With other matters, such as procedures requiring the assistance of the competent authority, one should turn to the Komló or Pécs district offices.

The National Chamber of Agriculture operates a dedicated **village consultant office** in Mágocs, which is open for business two days a week.

Local **health services** are limited to primary care. Adult general practice, paediatrician practice, dentist, nurse service, pharmacy and physiotherapy/occupational health clinic are all available in the town. In addition, the municipality operates general laboratory diagnostics and from time to time there are various on-site specialist examinations as well. The central emergency room and other specialist clinics are located in Dombóvár, where the majority of those in need of hospital care can be treated, and the nearest ambulance station is also stationed there.

The town has **primary education institutions**: a nursery school, a kindergarten and a primary school. The primary school has recently undergone a major refurbishment, with the energetics modernization completed in the summer of 2020. The building is equipped with up-to-date equipment and is powered by a solar system. Students who wish to **continue their education** can go to high schools in Dombóvár and Komló the nearest, and they can find vocational training opportunities in Sásd as well in addition to the above.

The size of the town does not call for **local public transportation**. Certain related subtasks, such as collecting schoolchildren from the surrounding settlements, are solved by **village buses**.

Among the **financial institutions**, Takarékbank maintains a local branch office, while competing service providers can be found in the surrounding cities.

One **lawyer** with a valid chamber membership practices law in the town. The **Komló District Court** serves as the first instance forum for settling legal disputes, from where litigation can be transferred to the Court of Pécs in the event of an appeal.

Mágocs houses the headquarters of the **Észak-Hegyháti Unió Nonprofit Kft.**, which was established by the municipality together with the municipalities of Alsómocsolád, Bikal, Mekényes and Nagyhajmás. Its

purpose is to **support development policy, prepare strategic materials, and maintain links with professional organizations**. Among other things, in cooperation with the County Chamber of Commerce, it regularly organizes entrepreneurial forums, strategic planning opportunities, and also carries out tasks related to regional marketing.

Major economic operators

The profile of Mágocs is **primarily focused on agriculture**. Although outside the former coal mining zone, there is also an **industrial tradition** and a related professional culture in the town thanks to the former Mezőgép company. Currently there are no large companies operating locally, the employers in the agricultural sector are **predominantly Hungarian-owned small and medium-sized enterprises with local roots in most cases**. Concerning industry, on the other hand, foreign-owned or joint ventures are typical. There are many family businesses and agricultural companies with only a few employees.

There have been several **innovative developments** carried out by local businesses recently. One example is Makrom Kft.'s award-winning **dairy farm**, where milk production is carried out with modern technology, using locally produced feed, GMO-free. It is also worth to mention Y Takarmányipari Kft., which is working on the development of patented feed additives in cooperation with the University of Pannonia.

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

- **Y Csoport** – A group of companies engaged in chicken and turkey breeding, livestock wholesale, poultry slaughter, feed production and distribution with sites in Mágocs and Sásd. Total number of employees in the five companies that make up the group (Y Takarmányipari Kft., Y Pulyka Kft., Bozsánovics Kft., Babirád Kft., DDB Team Kft.) in 2019: 194; total sales revenue in 2019: HUF 22.09 billion, of which HUF 1.9 billion came from exports (8.6%).
- **Magnet Tartálygyártó Kft.** – A company that manufactures cylindrical tanks and pressure vessels. Number of employees in 2019: 121; sales revenue in 2019: HUF 3.32 billion, of which HUF 3 billion came from exports (90.4%).
- **Cabero Industrial Kft.** – A German-owned company engaged in the manufacture of air conditioning equipment. Number of employees in 2018: 85; sales revenue in 2018: HUF 1.5 billion, of

which HUF 1.39 billion came from exports (92.7%). (2019 data not available).

- **Makrom Kft.** – A company engaged in field crop production, cattle breeding and the rental and maintenance of agricultural machinery. Number of employees in 2019: 32; sales revenue in 2019: HUF 651 million.
- **Edelstahlservice-Mágozs Kft.** – A German-owned company engaged in the production of stainless steel fittings. Number of employees in 2019: 18; sales revenue in 2019: HUF 553 million.
- **Tenkes Baromfi Kft.** – A Hungarian-owned enterprise engaged in poultry farming and trade. Number of employees in 2019: 15; sales revenue in 2019: HUF 346 million.
- **Esox Kft.** – An enterprise engaged in fishing and fish farming. Number of employees in 2019: 6; sales revenue in 2019: HUF 92 million.
- **Kubik-Agro Kft.** – A Hungarian-owned enterprise engaged in arable crop production. Number of employees in 2019: 3; sales revenue in 2019: HUF 66 million.
- **Mágocsi Ferro Kft.** – A company engaged in metalworking and the production of machine parts, as well as in the production of injection-moulded plastic products. Number of employees in 2019: 10; sales revenue in 2019: HUF 56 million.

Economic areas

There is no industrial park in Mágozs specifically for new investors to settle. Local companies are concentrated in **two locations with a strong economic focus**.

The first, on the **western outskirts of the town**, north of the road to Dombóvár, is **the former site of Mezógép**, where still mostly metal and machinery companies operate. A solar park has been established near the industrial area in recent years. The second economic hub is located in the **south-eastern corner of the town, at the end of Kossuth and Rákóczi streets**, and its function is mainly agricultural: feed mixers, crop warehouses and stables are located there.

Both areas have **vacant plots available** for new investors. Their noteworthy advantage is that the sites **have complete infrastructure**, both utilities and the road network have been established, thus giving the opportunity for further expansion with a relatively low investment.

The municipality, however, owns only a relatively small area, in total there are 1.96 hectares of land suitable for greenfield economic use. This

is complemented by an additional 1.08 hectare privately owned brownfield site, which is available for investors.

There is no farmer's market in Mágocs yet, but at the contractor level plans are in place to establish a regional local product market within the framework of a brownfield project.

Economic support and tax policy

The municipality pursues an **investor-friendly tax policy**, limiting the burden on businesses. Accordingly, the local business tax is **the lowest among the county's settlements**, at only 1.5% of the tax base. Companies are **not subject to land or building tax**, and tourist accommodation providers **do not have to pay tourist tax**.

The municipality does not offer direct investment subsidies, but a **discounted land sales program** is available. Municipally owned economic plots can be obtained by companies arriving in Mágocs at better than market prices in exchange for meeting investment or employment requirements.

Municipal investments

The local government of Mágocs is constantly carrying out **developments that improve the image of the settlement and the quality of life of the residents**, using its own resources as well as European Union and government tender funds. The largest projects of recent times, worth hundreds of millions of HUF each, oversaw the construction of **a nursery school**, the **renovation of the kindergarten**, the refurbishment of the **primary school's gym hall** and then the **energetics modernization** of the whole building, while **social housing** was also established as a part of a program aimed to rehabilitate a part of the settlement getting behind. In order to maintain public safety, the municipality installed a **camera surveillance system** in several parts of the town.

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