

## TOWN PRESENTATION – MOHÁCS

**Mohács** is located in the southern part of Baranya County, and is also known as Hungary's southernmost settlement along the Danube. Despite the fact that its economy is focused mainly on **industry and logistics**, the town is also a significant **tourist destination**, and due to its favourable geographical location, its agricultural attributes are outstanding. In addition, Mohács have a decades-long history of international relations, so **cultural** and **civil relations** play a key role in the town's life.

### Transport and logistics

**Mohács** performs significant transport and logistics functions both nationally and internationally, and is located only **9 km from the Croatian border, specifically from the border crossing at Udvar**. Due to its proximity to the border, it is a major centre in the north-south trade route. From the point of view of transport, it is very convenient that the **junction of motorways M6 and M60** is located 10 km from the town, and **road no. 56** is also nearby. Mohács is the **seat of the district**, which is located in the catchment area of two county seats, Pécs, which is 47 km away, and Szekszárd, which is 48 km away.

Mohács can be approached via the **Pécs-Villány-Mohács railway line** no. 65, which has two stops in Mohács: the Mohács railway station and the Középmező stop. Currently, on the section between Villány and Mohács, passenger transport is mainly provided by train replacement buses, as of the seven pairs of daily lines, only one train is running. From the station, a **side-track** leads to the northern industrial area and the port, which makes it possible to load even heavy goods onto wagons and **transport them by rail**.

There is a **ferry** between Újmohács and Mohács running every half hour, otherwise the nearest crossing point through the Danube is at Baja, 45 km away. The port of Mohács, located next to route 56, is the **only river border port** in the European Union. It has a 340-meter stretch of coastline as well as an industrial side-track. As a Schengen water border, the town plays a key role in water transport on the Hungarian section of the Danube. **Further developments are expected** in the future, which

will involve the building of a new national public port, a bridge on the Danube and a logistics centre. As a result of these projects, the role of Mohács in international transport corridors may increase in value, improving the competitive position of the town and the county.

From the point of view of tourism, it is important that **EuroVelo** (European Bicycle Network) **route no. 6** passes through the town, which is available for both local and international use. The Hungarian part of the route runs along the Danube, after leaving Mohács it continues south, on the embankment of the river, towards Croatia.

The **regional bus service** is of high-quality, the lines run with appropriate frequency to other settlements. From the point of view of tourism, it is important that Mohács is connected to Budapest via a direct flight. Pécs, Szekszárd and Villány are the main travel destinations. Like most settlements of an industrial-logistical nature, Mohács also attracts workers from different settlements of the county. That is why it is really important that the whole Mohács District and more than half a dozen settlements of the Pécsvárad District **can be reached within an hour by bus without transfer**. The public transport connections are coordinated with local employer needs in mind as the conditions of commuting on a daily basis from the most important directions are given.

## **Population and employment**

According to the latest data (2019), the **population** of Mohács is 17,089, which makes it the third largest settlement in the county, and the largest in the Mohács District. The ethnic composition of the population is traditionally very diverse, with Germans, Croats and Serbs living here besides the Hungarian majority. The **immediate urban environment** consists of small villages organized around a larger village. Of the 26 settlements in the district, in addition to Mohács, only six have more than a thousand inhabitants (Dunaszekcső, Himesháza, Kölked, Lánycsók, Somberek and Véménd).

The total **working age population** in the **Mohács District is 21,250, of whom 1365 are jobseekers**. This means that the proportion of registered unemployed is 6.42%. 6.3% of the unemployed have no education, while 39.37% have a primary school education, 27.93% have a trade, and

20.23% have completed vocational school. In contrast, the unemployment rate within college or university graduates is around 2%.

Due to the presence of industrial companies, the **town** itself has much more **favourable** employment figures. Only **0.4%** of the working age population of 10,882 are jobseekers.

### **Infrastructure and public services**

**Mohács** is a most liveable town with high-quality infrastructure and public services, which relies on its traditions, but also able to reinvent itself in its programs. All age groups are **well taken care of** in terms of education, healthcare, social and cultural initiatives, and infrastructure. As Mohács is the **centre** of the Mohács District, all **district** administrative, educational, health, etc. **institutions** are located here. This also gives the settlement a somewhat **central role** in the area.

The **quality of the interior road network** in Mohács is **good** due to regular maintenance, however, there are plans in place to further **develop and renovate** the road network, car parks and bus stops, to adjust them to the current transport needs and methods. The **bicycle path network** is constantly expanding, most recently a section parallel to road 56 has been completed, connecting the roads of the industrial and vineyard areas.

The coverage of **utility lines** (water, gas, electricity, sewage) is excellent. Baranyavíz Zrt. carries out the tasks related to **drinking water supply** and **sewage disposal and treatment**.

Mohács-Hő is the **district heating provider** of the town. The modern, natural gas-fuelled heating plant currently supplies heat to two thousand flats, which is one-sixth of the homes in Mohács.

The former, outdated waste management system has been replaced by a modern solution that also takes advantage of **recycling** opportunities.

The **Mohács District Office** provides administrative services to the about 33,000 inhabitants of the 26 settlements. The employment and public health departments, the food chain safety and animal health office, the authority and guardianship office, the land register office, and the office of government issued documents are all available locally.

Within the scope of **primary health care**, general practices, paediatrician practices and dental practices operate in the town. Advanced forms of care are provided by the **Mohács Hospital**. In addition to more than two dozen clinics, the institution houses laboratories, imaging diagnostics and occupational health services. Its dozens of departments also include intensive therapeutic and rehabilitation units. The hospital has 300 partially active beds in total, the utilization of which was 67.83% in 2019.

The range of **educational institutions** includes kindergarten, primary school and high school. These include state and municipally owned institutions that provide art training and ethnic studies on top of traditional education.

Based on the achievements of its students, the **Kisfaludy Károly High School** is in the first quarter of the national secondary school ranking. It has significant tradition mainly in the field of German language teaching. At the **Radnóti Miklós Technical and Vocational School**, law enforcement, IT and hospitality training is offered within the framework of a five-year technical training, while those who choose the three-year vocational school can study for professions in the industries of commerce, food, metal and social services. **Higher education** is available in Pécs, where those wishing to continue their studies can also enrol in the university.

There is a wide variety of **financial institutions** as Erste Bank, OTP Bank, Budapest Bank, K&H Bank and Takarékbank all have their own branches locally, with the latter having two offices. Therefore, most of the larger banks that can provide financial offers for entrepreneurs can be found locally.

Twelve **lawyers** with valid chamber memberships practice law in the town. The first instance forum for settling possible legal disputes is the **Mohács District Court**, and appeals can be submitted to the **Court of Pécs**.

The National Chamber of Agriculture operates a **village consultant office**. The recently renovated building offers administration under modern conditions.

## **Major economic operators**

The economy of **Mohács** is primarily focused on **industry and logistics**. The presence of at least medium-sized enterprises is essential in terms of employment, but the town also places special emphasis on strengthening **smaller local companies**. The economy is centred around the industrial park, where the **main sectors** are service (logistics, trade, freight forwarding), food, textile, wood (furniture, fibreboard), machinery (tool and vehicle manufacture), construction, and energy (electricity generation). Settling companies can choose between greenfield areas and, thanks to an area rehabilitation project, brownfield plots.

**Tourism** is becoming more and more dominant in the town, within which the main attractions are related to culture and heritage, and the high-quality local products (wine tourism, handicrafts). Other **events** (e.g. the traditional *Busó-walking* celebration) are also very popular.

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

- **MCS Vágóhíd Zrt.** – A company owned by Pick group that is engaged in the slaughter and processing of pigs and the packaging of pork. Number of employees in 2019: 689; sales revenue: HUF 63.35 billion, of which HUF 27.78 billion came from exports (39.11%)
- **KRONOSPAN-MOFA Hungary Kft.** – An Austrian-owned company, present in two dozens of countries, engaged in the production of wood panels for the furniture industry. Number of employees in 2018: 193; sales revenue in 2018: HUF 23.15 billion, of which HUF 21.81 billion came from exports (94%)
- **„Margitta-sziget 92” Kft.** – A Hungarian-owned agricultural producer and sales and service company mainly engaged in the cultivation and sale of cereals, legumes and oilseed crops. Number of employees in 2019: 85; sales revenue: HUF 3.33 billion, all of which came from domestic sales.
- **Le Bélier Mohács Kft.** – A French-owned company engaged in the manufacture and casting of metal products. Number of employees in 2019: 144; sales revenue in 2019: HUF 3.27 billion, of which HUF 2.13 billion came from exports (65%)
- **SH-BAU Mérnöki Kft.** – A Hungarian-owned company mainly engaged in architectural design, construction and service. Number of employees in 2019: 53; sales revenue: HUF 1.86 billion, all of which came from domestic sales.

- **Prophyl Kft.** – A Hungarian-owned company engaged in the production and distribution of veterinary drugs, vaccine egg production and related services. Number of employees in 2018: 150; sales revenue in 2018: HUF 2.71 billion, of which HUF 1.39 billion came from exports (51.29%)
- **Mohácsi Vasöntöde Kft.** – A company engaged in the manufacture and processing of cast iron fittings, machine parts and equipment. Number of employees in 2019: 138; sales revenue in 2019: HUF 1.34 billion, of which HUF 170 million came from exports (12.69%)
- **GRIN-BAU Kft.** – A Hungarian-owned company dealing mainly with engineering, general construction and reinforced concrete structures. Number of employees in 2019: 13; sales revenue: HUF 830 million, all of which came from domestic sales.
- **Screen Hungary Kft.** – A Belgian-owned company dealing with textile finishing, including machine embroidery and textile film printing. Number of employees in 2019: 109; sales revenue: HUF 592 million

## Economic areas

The differences in development are relatively large within Baranya County. The economic agglomeration of the county seat and **the Bóly-Mohács region in the eastern edge of the county are much more developed** than the northern, western and southern peripheries of the county. Mohács, which can also be viewed as a micro-region with a focus on the industry and logistics sectors, is a key player in the county's economy, therefore the town is an actor with great potential in the global investment acquisition market in terms of investment promotion.

Mohács has the **second largest industrial park** in Baranya County after Pécs. The economic zone located to north of the town, next to Budapesti Street, has a total area of 225 hectares. Currently, 45 operating companies occupy 61% of the available space. The **vacant land is 88 hectares**, and it is parcelled out into 62 plots of different sizes. These municipally owned greenfield areas have all public utilities and 50% of the total area can be built in.

A **4.82 hectare brownfield** industrial area is available to investors, and two **development projects** are underway to further **expand** the park's

area and infrastructure. Also there are privately owned areas suitable for economic use.

Environmental and economic **sustainability** is very important for Mohács. Energy management is achieved through a gradual transition to **renewable energies** (e.g. solar). As a result, the operation of the town's institutional system will be more efficient, and the heating costs of apartments will be reduced. Besides solar energy, **thermal water** is also available in Mohács, which is utilized for health and medical purposes, but it also has potential as an energy source.

There is a **business incubator house** operating within the area of the industrial park, which creates a more favourable environment for start-ups than what conditions they would encounter in the market. This contributes to the **strengthening of the competitiveness** of small and medium-sized enterprises in the region that possess low initial capital. From the **preferential rental fees**, that are lower than the market price, enterprises not older than three years will receive additional, annually and gradually decreasing **discounts** for three years. The incubator house contributes to **the development of their market stability** and allows them to develop further on their own, to become stable actors of economic life.

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

The tax policy of the municipality is important because it provides resources for planned developments and it plays a key role in **investment promotion and business support**. The aim is to **attract new companies** with the highest possible added value **to Mohács** and to **strengthen** those that are already settled.

The amount of the **local business tax** in Mohács is the statutory limit specified by law, i.e. **2% of the tax base**. The rates of the building tax vary between HUF 300 and 725: HUF 300 for general use, and HUF 700 for commercial purpose estates per year and per square meter.

The **tourist tax**, which affects tourist accommodation providers, is HUF **360 HUF per guest per night**. The town does not levy a **land tax**.

In Mohács, the local government offers a **discounted real estate purchase option** for newly settling enterprises and already established

companies that intend to set up a new site or increase the number of their employees.

When a business is established/expanded in the industrial park, the town gives a **discount of HUF 600,000** per job from the price of the plot, if those positions are filled with local (Mohács resident) employees. The discount can be HUF 300,000 per job if an existing company expands its premises in order to retain employees.

The companies settled in the industrial park are **exempted from paying water and sewage utility costs** if they fulfil their commitments related to job creation.

### **Municipal investments**

The municipality of Mohács has made **significant efforts** in recent years to develop the town and encourage investment. These efforts oversaw the **expansion of the industrial park with a new, more than 40 hectare area** with developed infrastructure, and the renovation of several **municipal institutions**, squares, streets and buildings. An important principle of urban development in the town is **long-term thinking and sustainability**. During the implementation of **tourism-related developments** the preservation of the environmental balance played a key role, as Mohács is often mentioned as one of the most attractive destinations of nature-oriented adventure tourism.

### **Contact**

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