

## TOWN PRESENTATION – SZIGETVÁR

**Szigetvár** is a small town in the western part of Baranya County, focusing on **industry, logistics and economics**. Built at the crossroads of two main roads, the town with very favourable logistical facilities is home to dozens of successful businesses and welcomes new investors on favourable terms.

### Transport and logistics

Szigetvár was built in a **very favourable location from the point of view of transport**, at the south-western foot of the Mecsek Mountains. Two **main roads** meet here: no. 6 connecting Pécs with Barcs, and no. 67 leading to Kaposvár. However, due **to transit traffic**, the layout of the town is not particularly ideal. The residential area east of the castle is in a more favourable location, being enclosed in a triangle by the two main roads, the transit traffic avoids the residents living there. To the west of the castle, however, main road 6 passes through the residential area.

The **distance to the county seat is 36 km**. Access is simple on the almost completely straight main road 6. The section of the road closer to Pécs has been recently renovated and is in a good condition, while the part between Szentlőrinc and Szigetvár is of tolerable quality. The seat of the neighbouring Somogy County, Kaposvár, is not that far either, the distance is **41 km**.

The nearest point of the **expressway network** is the recently upgraded road 67, with its Kaposvár end being **40 km away**. The Pécs-West junction of motorway M60 can be reached at a similar distance, **41 km**. The medium-term transport development plans include the extension of the motorway to Szigetvár, and later to Barcs: in this case, **Szigetvár** will have its **own junction**.

The nearest **border crossing** in the direction of Croatia is 36 km away, between Barcs and Terezino Polje.

**Railway line 60** from Pécs to Nagykanizsa **stops at Szigetvár**. The main line to the capital branches off earlier at Szentlőrinc, so only the trains going in the direction of Barcs touch the town. Nevertheless, **dozens of pairs of trains run in both directions** every day, which makes the railway suitable for daily commuting from the villages along the railway line. The Szigetvár railway station has the appropriate infrastructure to **deliver large quantities of goods** to customers by rail.

Szigetvár is an **important hub** for **regional bus transport** due to its central location. On the one hand, the **express lines** between Pécs and other Transdanubian cities (Kaposvár, Zalaegerszeg, Szombathely, Veszprém) stop here, and on the other, **the buses servicing the villages** of the immediate region depart from here. The quality and frequency of flights are adequate, the centre is accessible from all settlements in the district within one hour without a transfer. The conditions for commuting to work on a daily basis from these villages are provided.

The **local buses** of Szigetvár are operated by Volánbusz. The lines run to the more populous suburbs, such as the Szent István Housing Estate, and villages far from the town centre but administratively belonging (Becefa and Zsibót), at times adjusted to the starting of business and school hours.

### **Population and employment**

The **current population** of Szigetvár is **10,421**, which means it stands far out from the settlements of the district. The typically **small-village area** is a textbook example of a town-deficient region from an urban geographical point of view. There is no village with a population exceeding one thousand people, as Mozsgó, with its 981 inhabitants, is the second largest settlement in the district. Under such circumstances, all **central functions drifted naturally towards Szigetvár**, and as such, the town has a clear leading role in the region.

The **working-age population** in the district is **16,254**, of which 1892 are currently unemployed. This means that the **unemployment rate is 11.64%**. 3.49% of the unemployed have no qualifications, 44.03% have a primary school education and 50.26% have a secondary education. The proportion of graduates is 2.22%.

The **employment figures of Szigetvár** are much better than those of the district. The working-age population in the settlement is 6851, of which only **0.63% are unemployed**.

### **Infrastructure and public services**

Szigetvár is characterized by an **attractive settlement image**, the mostly well-maintained buildings of the historical downtown are accompanied with small but tidy housing estates and larger suburbs containing family houses. The **condition of the interior road network is good**, the roads of residential areas are paved everywhere.

**Drinking water supply and wastewater treatment** are provided by Baranya Víz Zrt., which manages its activities from the local plant directorate.

**District heating service** is available in the town, provided by the municipally owned Szigetvári Távhő Nonprofit Kft. with its own heating plant.

The town is the **centre of the Szigetvár district**, which comprises of 45 settlements and has about 24,000 inhabitants. The **district office** offers a wide range of administrative services to the customers: local authority and guardianship office, employment office, food chain safety and animal health office, public health department, land register office, and the office of government issued documents are all available locally.

The National Chamber of Agriculture operates a **village consultant office** in the town.

A wide scope of **health care services** is available in the town. Primary care is provided by several general practices, paediatrician practices and dental practices. The **town hospital** receives patients in fourteen wards and dozens of different clinics. Among other departments, surgery, intensive care unit and obstetrics operate locally, and virtually all medical disciplines are available in the form of outpatient care. The institution is **well equipped** with diagnostic tools, among others things, it has its own CT. Some neurorehabilitation departments receive patients from all over the country. In 2019, the hospital was operating at 72.85% utilization.

**A nursery school, several kindergartens, primary schools and secondary schools operate** in Szigetvár. In addition to the town's dedicated art school, primary schools also provide art training, for example, the Dél-Zselic Tinódi Lantos Sebestyén Primary School is traditionally strong in music education. The **secondary school** named after Miklós Zrínyi offers traditional grammar school curriculum on the one hand, and education for **commercial and health professions** in the form of three or five-year trainings on the other.

Among nationwide **financial institutions**, three maintain a local branch in Szigetvár: K&H Bank, OTP Bank and Takarékbank.

Nine **lawyers** with valid chamber memberships practice law in the town. Legal disputes and litigation are heard in the first instance in the **Szigetvár District Court**, and in case of an appeal, the second instance forum is the **Court of Pécs**.

The town, together with 65 municipalities and a similar number of companies and entrepreneurs, is a member of the **Synergy Association**

set up to implement Leader projects. The main purpose of the cooperation is to organize tenders to help local producers gain market access and exploit tourism opportunities.

The **Szigetvár Local Community CLLD** (CommunityLed Local Development) program is also linked to Leader projects. The essence of the applied approach is that the action groups reflecting the composition of the local society define the goals important for the community in the local development strategy and the resources that can be spent on them within the available framework. Building from the bottom up strengthens local communities and enables them to respond more effectively to the needs of the civil and business spheres.

### Major economic operators

The economy of Szigetvár primarily focuses on **industry and logistics**, several companies with billions in turnover operate in these sectors. There is no large company in the town, the most typical is **the medium-sized enterprise employing 50-150 people**. There are a total of 1174 enterprises operating in the district, most of them in Szigetvár.

In addition to manufacturing and production companies, both **agricultural** and **commercial-service** companies are present: from the point of view of employment, for example, food chains can be highlighted.

**Tourism** is an important sector of the economy: in addition to the country-wide renowned **castle** and historical monuments from the Turkish occupation, the **beach spa**, and the **Zrínyi Days** event series held in early autumn attract a larger number of visitors.

One **hotel** providing 3-star level services and 10 restaurants are **available** for guests.

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

- **Schenk és Társa Kft.** – A German-owned company engaged in fruit and vegetable processing and canning. Number of employees in 2018: 105; sales revenue in 2018: HUF 22.54 billion, of which HUF 22.05 billion (97.83%) came from exports.
- **Iron-Tech Zrt.** – A Hungarian-owned company engaged in metalworking and the manufacture of machine and automotive parts. Number of employees in 2019: 282; sales revenue in 2019: HUF 5.79 billion, of which HUF 1.03 billion (17.79%) came from exports.

- **Trust Hungary Zrt.** – An American-owned international company engaged in the production of wooden barrels. Number of employees in 2018: 84; sales revenue in 2018: HUF 22.85 billion, of which HUF 2.5 billion (87.72%) came from exports.
- **Szigetvári Hús Kft.** – A Hungarian-owned company dealing with meat processing and the wholesale and retail trade of meat products. Number of employees in 2019: 85; sales revenue in 2019: HUF 2.66 billion
- **Györei és Társa Kft.** – A Hungarian-owned company engaged in road freight forwarding and warehousing. Number of employees in 2019: 4; sales revenue in 2019: HUF1.66 billion.
- **Agrosziget-Chem Kft.** – A Hungarian-owned company dealing with the trade of chemical products. Number of employees in 2019: 2; sales revenue in 2019: HUF1.5 billion.
- **Jankó Faipari Kft.** – A Hungarian-owned company engaged in the production and distribution of wooden doors and windows. Number of employees in 2018: 42; sales revenue in 2018: HUF1.29 billion.
- **Hőszig Kft.** – A Hungarian-owned company engaged in the production and distribution of thermal insulation and other glass products, as well as the production of steel structures. Number of employees in 2019: 150; sales revenue in 2019: HUF 1.8 billion, of which HUF 943 million (52.39%) came from exports.
- **Manifaktor Kft.** – A German-owned shoe-making and repair company. Number of employees in 2019: 148; sales revenue in 2019: HUF 938 million.
- **Eszta-Morison Kft.** – A Hungarian-owned company that makes women's shoe uppers. Number of employees in 2018: 37; sales revenue in 2018: HUF 238 million.
- **Szeszico Kft.** – A Hungarian-owned company dealing with greenhouse vegetable growing and ornamental plants. Number of employees in 2018: 42; sales revenue in 2018: HUF 213 million

### **Economic areas**

Szigetvár has several municipally and privately owned **areas suitable for economic use**. There is no industrial park in the town so far, the **corporate sites are concentrated in several focal points** and surround the settlement as a ring. For example, various businesses operate south of the railway, next to the road to Hobol, between Hoboli Street and main road 6, in the triangle of junctions 6 and 67, and to the north, at Millennium Street.

The municipality currently possesses **5.2 hectares** of **greenfield** land suitable for lease or purchase. Among other areas, the plots next to the spa are suitable for new investments.

The Municipality of Szigetvár owns 100% of an almost **4-hectare area**, which is suitable for the construction of a **wellness hotel** according to the valid town planning scheme. The area is directly adjacent to the municipally owned spa and the Almás stream, and beyond the stream, there is the Szigetvár Castle and a castle park neighbouring the part of the town surrounding the castle.

The most significant **brownfield area** is part of the building of the **former shoe factory**, which is currently privately owned but can be used by investors on suitable terms.

The so-called **Tenants' House** under 16 Deák Street is owned by a municipally owned company. Offices for rent are available for businesses in the approximately 1000 square meter building.

The market enables agricultural producers to sell their products quickly and locally. The **farmers' market** has paved roads, developed infrastructure and covered vending booths.

## **Economic support and tax policy**

In Szigetvár, the **local business tax rate** is the statutory limit, i.e. 2%.

The relevant regulation has defined several rates for the **building tax**. The amount to be paid varies between HUF 200 and HUF 1720 per square meter per year. The highest tax rates are levied on financial services, businesses engaged in insurance or gambling, and gas stations.

The rate of the **land tax** is uniform: HUF 115 per square meter is the public charge to be paid annually.

The amount of the tourist tax concerning the **accommodation providers** is HUF 400 per day.

## **Municipal investments**

Ongoing development projects focus on **transport and tourism**.

The utilization of the nearly four-hectare municipal area next to the spa for **hotel-oriented purposes is a priority for Szigetvár**, and the municipality is flexible in establishing a framework for cooperation, for which it expects a capital-intensive investor.

The two most important of the transport development investments are the construction of a **roundabout** at the junction of road 67 and József Attila Street, which improves both the dynamics of traffic and safety.

Medium-term plans include **revitalizing the market and its surroundings, and increasing the number of car parks in downtown.**

The **development of the Szigetvár castle** will be completed in 2021 within the framework of a state-sponsored project, which began in 2016 and represents a development package of nearly HUF 2 billion.

## **Contact**

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