Spatial development opportunities of the automotive industry in Csongrád County

About the sector in general

- The degree of motorization is one of the measures of the standard of living
- It has a prominent role in the economy and employment (about 50 million employed people, 15% of global GDP)
- It connects a lot of areas from raw material extraction to customer service

suppliers are playing an increasingly important role in the production of added value

- Strict environmental regulations vs. fuel consumption

About the sector in general – what is expected in the future?

- Significant R&D investments in the sector
- Software development companies have gained substantial importance
- **Increasing automation** raises the automotive sector to a new level
- Electric and automated vehicles have appeared
- Self-driving vehicles are under serious testing (e.g. California State, USA)

IMPORTANT QUESTION

What is the future of driving? Is it going to be a hobby after a while?

International megatrends of the sector

Megatrends which will have significant impact on companies of the sector:

- acceleration of urbanization
- climate change and lack of sources
- demographic shifts
- Shift of economic forces from western to eastern countries
- technological developments

International good practices:

- In Europe: Ireland, Turkey, Macedonia, Czech Republic, Slovakia, Portugal
- Outside Europe: Brazil

The sector in Csongrád County

- There is no significant past in the county
- Currently: Continental AG in Szeged and Makó
- The spatial concentration of software developer companies is strong in the county
- The geographical distance from Mercedes-Benz in Kecskemét is not significant and is easily accessible

Cooperation between operators could increase added value of Csongrád County in the sector

Important installation factors

Labour force

R&D activities

Investment incentive

Logistics, transport and network infrastructure

Suppliers and production infrastructure

Key competences of Csongrád County

- Skilled and cheap labour
- Flexible labour regulations, viable and safe environment
- Outstanding performance in R&D (University, high-tech industries)
- Active presence of software development companies
- Excellent geographical location (triple border, proximity to the Balkans and Middle East)
- Favourable traffic conditions (highway, railway, airport)

Top stakeholders

- County Government of Csongrád
- Chamber of Commerce and Industry of Csongrád County
- University of Szeged (automotive industry pre-development laboratory, Faculty of Science and Informatics)
- South Great Plain Transport Development Cluster
- Szeged Transport Company
- Continental AG
- Software development companies

Also: a number of small associations, automotive retail and wholesale shops, businesses carrying out vehicle servicing

Target system

Csongrád County is an internationally attractive investment for the automotive industry

Automotive software development

An integrator who brings together the actors of the automotive industry

Development of an existing machine industry in Csongrád County, which would enable successful cooperation with Mercedes-Benz in Kecskemét

There is a need for the development of industries related to the automotive industry and, where appropriate, for the creation of missing industries

Potential opportunity

- **Preparing for self-driving cars**
  - Closeness of Mercedes-Benz in Kecskemét
  - Spatial concentration of software development companies
  - Accumulation of high-level university knowledge

Aim: attract the attention of Mercedes-Benz to the benefits of cooperation with the county

- **Cross-border opportunities:**
  - Transnational programs: joint regional development programs with neighbouring countries
  - Cross-border programs: strengthening cooperation with neighbouring countries