

Negative example

Vehicle production industrial job creation and capacity building development at the Kecskemét unit of Knorr-Bremse Ltd. and Strengthening pre-development, simulation and system-planning capacity and competence at Knorr-Bremse Ltd.

Country, region: Hungary, Northern Great Plain region

Name of the organisation which implemented the project

Knorr Bremse Fékrendszerek Kft.

Total size of the project in EUR: 3 256 590 251 HUF and 1 019 271 200 HUF

Amount of EU funding: 947 009 053 HUF and 536 355 563 HUF

Name of the EU fund that supported the project

Structural Funds (ERDF)

Name of the Operational Program

DAOP (Southern Great Plain Operational Programme) and GOP (Economic Development Operational Programme)

Short description of the project, aims, targets, project activities

The project included building a new factory and test lab in Kecskemét, within the framework of the development of the commercial vehicle production unit of Knorr-Bremse Ltd.

The new plant is located less than a kilometre away from the existing site. Despite numerous upgrades in recent years, the old company building no longer fulfilled Knorr-Bremse's exacting requirements and could not be adapted to meet them. Knorr-Bremse has therefore invested for a basis for introducing more

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complex products and technologies, and at the same time has expanded its research and development capabilities.

Estimated impacts on biodiversity and ecosystem services.

The company claims that during the planning of the new facility, particular emphasis was put on environmental aspects with a view to reducing energy consumption, cutting CO₂ emissions and conserving natural resources. However, on the official website and other public platforms of the company, there aren't any specifics or documents that prove these claims.

In addition, no Environmental Impact Assessment was required by the authorities for the project, so the cumulative environmental, biodiversity and social impacts have not been analysed properly.

Furthermore, according to the position of the Soil Conservation Authority, the above-mentioned activities have no significant impact on land and soil, which seems more than questionable as the factory is being built in an area of 25 000 m² replacing agricultural land. As a green field investment, it causes irreversible land use change, and disrupts the ecological network, which means damage or significant loss risk for nature and wildlife.

Furthermore, it is a vehicle industry investment project; whose product (and the mining, processing and transport of raw materials needed to the manufacturing) also create significant negative impact on the environment and biodiversity.

How did project leaders, authorities, NGOs or other stakeholders try to avoid harmful impacts, if the project had any?

The National Society of Conservationists raised these concerns about green field investment in several forums and suggested funding brown field developments only, but the government haven't taken it into consideration.

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