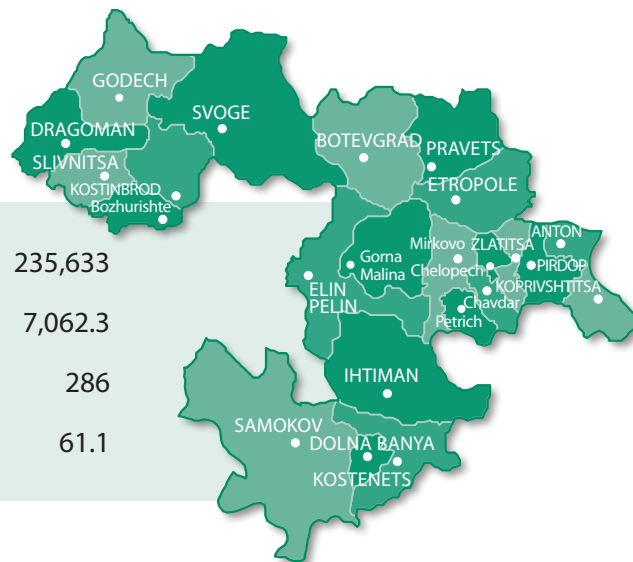


Sofia District

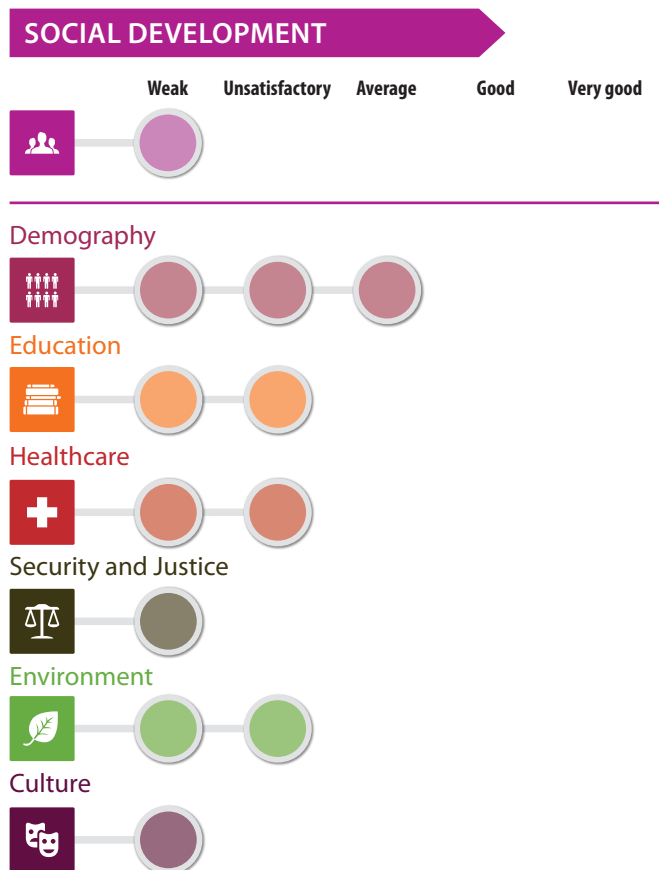
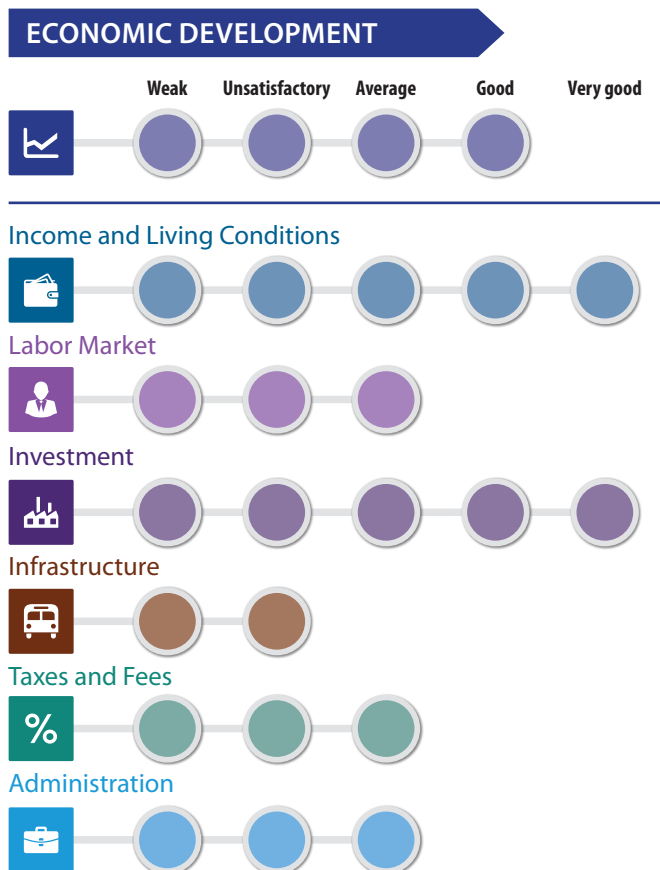


▶ Population (2016)	235,633
▶ Area (sq. km)	7,062.3
▶ Number of settlements	286
▶ Share of urban population (%)	61.1

Overview

In 2015 the district of Sofia registered a considerable increase in GDP per capita and rising salaries and incomes brought about improved living conditions. Further growth could be frustrated by declining economic activity and the population's unfavorable educational structure. Investment activity remains high in the district. The average tax load in Sofia municipalities is close to the national average level. Cadaster coverage is increasing but municipal authorities are lagging in transparency and service development.

Population ageing is noticeable all over the country but it is faster and deeper in the district. Sofia is still among the districts with the lowest results at matriculation exams. Hospital beds are a considerable number which determines the relatively big number of hospitalizations. Judges at the district court have high workload which affects the speed of justice administration. Due to the low urbanization and population density Sofia is one of the districts with limited access to public sewerage. The intensity of cultural life in the district is exceptionally low.



ECONOMIC DEVELOPMENT ●●●●

Income and Living Conditions ●●●●●

In 2015 the district registered a considerable GDP per capita increase which placed it immediately after the capital, Stara Zagora, and Gabrovo in this category. The GDP growth rate was twice as fast as the national average rate and it overtook average values for the first time since 2012. The capital's proximity put pressure on salaries and they grew fast as well, approaching the average rate: 10,507 BGN while the average was 10,535 BGN. At the same time, household incomes were not able to reach the national average figure though they kept growing all the time between 2012 and 2016.

Rising salaries and incomes led to improved living conditions in the district. The share of population living in material deprivation declined to 38.5% (vs. 31.9% nationally) while that of the population living below the national poverty line declined to 23.1% (vs. 22.9% nationally) in 2015.

Labor Market ●●●

In 2016 economic activity was on the decline in the district and it lagged increasingly behind the national average rates with its 62.2% vs. the national rate of 68.7%. Declining activity led to simultaneous declines in both employment and unemployment in the district. The employment rate shrank by over 1 p.p. to 57.9%, while the national average rate was 63.4% and the unemployment rate shrank by almost 3 p.p. to 6.9% (vs. 7.7% nationally).

The low economic activity was probably a result of the local population's unfavorable educational structure which kept deteriorating. University graduates in the district dropped to less than 14% while the national average rate was 28%, and people with primary and lower education increased to 24% (vs. 18% on average in the country). That fact and the immediate proximity to the capital created natural obstacles before labor market development in the district.

Investment ●●●●●

The economic recovery in the district in recent years was mainly due to an increase in the number of working enterprises and FTA investment. In 2015 enterprises increased to 41 per 1,000 people (vs. 55 per 1,000 people in the country) while FTA expenditures grew by over 150 m BGN to reach 3,059 BGN/person, thus overtaking the national average rates of 2,973 BGN/person.

The relative FDI in the district remained considerably above the national average rate and stayed relatively stable between 2010 and 2015. Utilized EU funds were also more. As of 30th June 2017 sums paid from operational programs

amounted to 1,588 BGN/person (vs. 1,344 BGN for the country). The municipality with the highest sum of utilized funds was that of Kostinbrod and those with the least funds were Zlatitsa and Ihtiman.

Infrastructure ●●

Road and railroad density in the district is above average. The share of highways and first class roads is also higher though the share of roads in good condition remains relatively low: 36% vs. 42% in the country.

In 2016 the share of households with Internet access in the district increased albeit at a relatively slow pace. Sofia was the district with the lowest connectivity for the first time: 48% while the national average rate was 64%. The share of people using the Internet was also considerably lower: 48% vs. 63% in the country.

Taxes and Fees ●●●

The average tax load in Sofia district municipalities was close to the national average once again in 2017. The tax on immovable property for legal entities and the waste collection fee for such property were higher than average levels and so was the property transfer tax, whereas the vehicle tax, the annual license tax for retailers and that for taxi transport were lower.

There were four cases of raised rates in local taxes in 2017: the municipalities of Anton, Botevgrad and Samokov raised the tax on immovable property of legal entities and that of Svoge raised the vehicle tax. There was only one lowered rate: the municipality of Koprivshitsa lowered the vehicle tax.

Administration ●●●

After the range of the cadastral map increased in ten of the district's municipalities the average coverage in it rose to 33.2% to go considerably above the average 22.5% in 2016. However, no part of the territory has been covered in the cadastral map in seven municipalities.

The active transparency rating of local administrations in the district was once again considerably below the national average in 2017. The lowest transparency rating was in the municipalities of Ihtiman and Etropole while the highest was in Chelopech and Samokov. The self-evaluations of the administration for development of electronic government and provided one-stop shop services were also below average once again in 2017.

SOCIAL DEVELOPMENT ●

Demography ●●●

Population ageing is a characteristic of the entire country but it is faster and deeper in the district of Sofia. The age dependency ratio showing the ratio between people aged 65+ and those aged 0–14 reached 170% while the average national level was 147% in 2016. In the last three years the natural increase rate was below –9‰ in the district vs. the national average –6‰. The rate of net migration was also negative, though in 2015 there was a greater number of settlers in the district and this rate was one of few positive ones in the country.

The share of urban population in the district was relatively low. In 2016, 61% of local population lived in urban areas whereas the national average rate was 73%. Sofia was the district with the lowest population density: over two times lower than the national average figure.

Education ●●

The enrolment rate in 5th–8th grade in the district kept increasing to reach 80.4% while it was 78.2% nationally in 2016. The relative share of dropouts from primary and secondary education remained lower but close to the national average in 2015. The share of repeaters was still high 1.8% with the national average at 1.1%.

Sofia remained one of the districts with the lowest results at matriculation exams. The average grade at the exam in BLL was 4.03 while the national average was 4.22. The fail grades of local students were over 11% (vs. under 8% nationally).

The district's location close to the capital, where the largest Bulgarian universities are situated, posed a limitation on the opportunities for the development of higher education establishments in the area. In 2016 the number of university students in the district went on dropping following the general tendency in the country.

Healthcare ●●

Sofia remained one of the districts with greatest number of hospital beds which affected the relatively high number of hospitalizations. The relative number of beds in local general hospitals reached 5.5 per 1,000 people (vs. 5.1 nationally) and the hospitalizations reached 275 per 1,000 people (vs. 235 per 1,000 people in the country).

Yet, access to doctors continued to be slightly more limited than the average rate for the country. There were 1,774 people per GP (vs. 1,611 per GP nationally) and 548 people per specialist (vs. 530 in the country). The share of health-

insured people also remained lower and even declined in 2016 to reach 86.9% (vs. 88.1% in the country).

Security and Justice ●

The district court of Sofia continued to have relatively high workloads which affected the speed of justice administration once again in 2016. A criminal judge at the Sofia District Court saw an average of 10.2 cases a month while the national average rate was 9.4 cases a month per judge. The cases closed within 3 months in the district declined to 85% (vs. 89% nationally) but the share of pending cases declined as well to 10% (vs. 8% nationally).

The relative number of registered crimes against the person and property in the district of Sofia was close to average (12.4 per 1,000 people vs. 12.6 per 1,000 people on average in the country) but clearance rates increased sharply and widened the difference from national average levels to reach 57% (vs. 48% nationally).

Environment ●●

Because of its relatively low urbanization and population density Sofia was one of the districts that had relatively lower rates of access to public sewerage. The difference was particularly noticeable in the share of population with access to sewerage connected to wastewater treatment: 42% in the district vs. 62% in the country in 2015.

There was also a drop in generated waste but Sofia was once again among the districts with the greatest amount of household waste: 537 kg/person annually (vs. 422 kg/person annually in the country) in 2015.

The air continued to be relatively clean in the district. Carbon dioxide emissions were many times lower than the average level in the country.

Culture ●

The intensity of cultural life in the district was exceptionally low which can be explained by the capital's proximity and the cultural events offered there. In 2016 the annual average number of cinema visits in the district reached 70 per 1,000 people while the national average rate was over ten times higher (778 per 1,000 people) and visits to libraries reached 93 per 1,000 people (vs. 605 per 1,000 people nationally).

The only exception was the great interest in local museums in tourist locations like Koprivshitsa in 2016. Cinema visits remained close to 1,500 per 1,000 people which was almost twice the national average rate.

Key Indicators for the District of Sofia

Indicators of economic development	2011	2012	2013	2014	2015	2016
GDP per capita (BGN, current prices)	12,048	12,205	11,025	11,563	12,983	n.a.
Average annual income per household member (BGN)	3,156	3,523	3,563	3,771	3,827	4,633
Average annual gross salary (BGN)	8,360	8,926	9,252	9,766	10,507	n.a.
Relative share of people living below the national poverty line (%)	19.0	24.5	24.6	24.4	23.1	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	66.1	63.7	66.3	68.4	65.5	62.2
Annual average employment rate of the population aged 15 to 64 (%)	59.6	59.6	59.5	59.6	59.2	57.9
Annual average unemployment rate of the population aged 15 to 64 (%)	9.7	6.4	10.0	12.7	9.4	6.9
Relative share of the population aged 25 to 64 with tertiary education (%)	15.3	15.0	14.4	15.8	16.8	13.8
Number of non-financial enterprises per 1,000 people	37	37	38	39	41	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	1,971	2,338	1,836	2,353	3,059	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	5,253	5,413	5,217	5,174	5,407	n.a.
Relative share of households with internet access (%)	48.7	49.2	44.1	45.9	45.9	47.5
Share of roads in good condition (%)	36.2	36.0	28.6	31.0	29.0	35.9
Share of territory included in cadastral maps (%)	12.4	12.4	12.4	12.6	14.8	33.2

Indicators of social development	2011	2012	2013	2014	2015	2016
Rate of natural increase (‰)	-8.3	-8.5	-8.2	-9.1	-9.7	-9.4
Net migration rate (‰)	0.1	-1.2	-1.6	-2.7	5.5	-2.9
Average grades at state matriculation exams	4.80	4.54	4.44	4.25	4.09	3.90
Percent of failed students at state matriculation exams ("average" 3.00)	1.51	2.13	2.20	4.97	10.73	16.04
Net enrolment rate of the population in 5th–8th grade (%)	81.5	80.6	79.7	78.9	79.5	80.4
Health insured persons as share of the population (%)	86.0	85.4	84.8	86.0	87.3	86.9
Cases of hospitalization in general hospitals per 1,000 people	241.4	246.0	252.2	248.5	260.3	275.0
Registered crimes against the person and property per 1,000 people	18.3	15.2	15.9	14.7	13.8	12.4
Clearance rates for crimes against the person and property registered during the year (%)	37.6	40.5	35.5	39.1	39.7	57.2
Share of pending criminal cases (%)	12.0	10.9	9.2	10.5	12.1	9.6
Share of the population living in settlements with public sewerage systems, connected to WWTP (%)	28.2	29.1	29.3	29.3	41.7	n.a.
Carbon dioxide emissions into the atmosphere (t/sq. km)	21.1	20.5	41.7	39.5	39.9	n.a.
Number of visits to cinemas per 1,000 people	20	35	62	63	61	70
Number of visits to theatres per 1,000 people	0	0	0	0	0	0