Smolyan district

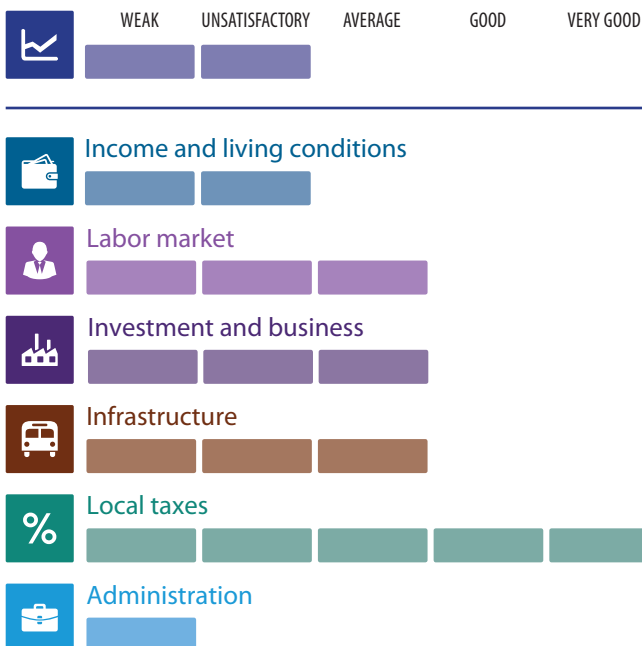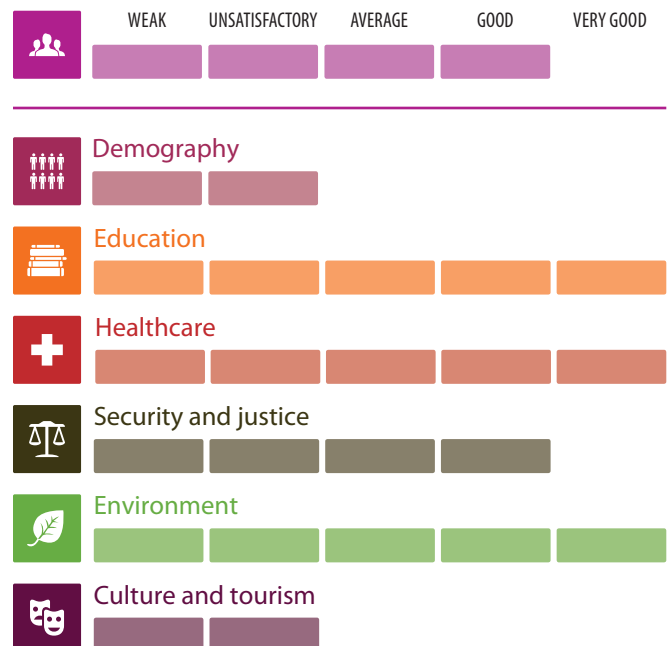|	
▶ Population (2021)	96,284
▶ Territory (sq. km)	3,193
▶ Number of settlements	240
▶ Share of urban population (%)	57.4

GDP, salaries and pensions in Smolyan district continue to rise. The poverty level is above average. Employment and unemployment are rising, with both indicators remaining relatively unfavorable. Business and investment activity has been showing some improvement. There are no railways, highways and first-class roads in the district. Local taxes in the district are relatively low. Smolyan has the second lowest share of own revenues in the total municipal revenues and is the district with the lowest coverage of municipal expenditures with local revenues.

The population of the district is among the fastest aging in the country. Smolyan continues to rank among the districts with the highest educational results. The share of people with health insurance is high. The health insurance system covers practically the entire population of the district. Smolyan is the district with the lowest workloads of the local judges and among those with the smallest number of registered crimes. The district also ranks first with the highest share of forest areas and the lowest share of degraded land. The intensity of its cultural life remains weak, but tourism is strongly represented.

ECONOMIC DEVELOPMENT

	WEAK	UNSATISFACTORY	AVERAGE	GOOD	VERY GOOD

Income and living conditions

Labor market

Investment and business

Infrastructure

Local taxes

Administration

SOCIAL DEVELOPMENT

	WEAK	UNSATISFACTORY	AVERAGE	GOOD	VERY GOOD

Demography

Education

Healthcare

Security and justice

Environment

Culture and tourism

⬈ ECONOMIC DEVELOPMENT ▪▪▪

💳 Income and living conditions ▪▪▪▪

GDP per capita in Smolyan district continued its growth in 2021, reaching 12,600 BGN, though its rate of increase is extremely small. Salaries and pensions are also rising and their rate of increase is comparable to the average one in the country. The average annual gross salary of people employed in a labor or service contract reaches 13,400 BGN, while remaining below the national average. The average monthly pension is 524, close to the national average.

The poverty level in the district is above the national average. The share of population living below the national poverty line is 28.7%, against 22.9% countrywide.

👤 Labor market ▪▪▪

The share of the working-age population in Smolyan district continues to decline and is lower than the national average – 56.5% in the district, compared to 58.5% in the country for 2022. Economic activity has increased, reaching 72.2%, versus 73.6% nationally. This increase has been accompanied by a rise in both employment and unemployment, with the two indicators remaining less favorable than the respective national averages. The employment rate is 68.0%, compared to 70.4% in the country, and the unemployment rate – 10.0%, against 5.2% nationwide.

The educational structure of the workforce in the district remains relatively good. In 2022, the share of the people aged 25–64 with primary or lower education declined to 13%, versus the national average of 16.0%, while the number of those with a university degree is 24.3%, against 29.8% nationally.

A huge challenge for the future development of the local labor market continues to be population aging. Smolyan is the district with the lowest population replacement rate as a ratio of the people aged 15–19 to those aged 60–64, which in 2022 was 42.2%, compared to 65.7% nationwide. This means that for every 100 adults who are about to leave the labor market in the next few years, there are 42 young people who will join the workforce.

🏭 Investment and business ▪▪▪

In 2021, business and investment activity in the Smolyan region showed a clear upward trend, as the number of enterprises, production value and domestic and foreign investment went up and in general managed to make up for the downturn of the previous year. The number of non-financial enterprises in the district reached 52 per 1,000 people, compared to 60 per 1,000 people in the country. FTA acquisition expenditure per capita increased by nearly 1/4 to reach 2,700 BGN, and FDI – by over 1/5 to 692 EUR per capita. Production value grew to 17,600 BGN, though it remained below the country's average. Research and development expenditure per capita is also lower than average.

Utilization of European funds in Smolyan district is relatively good. By 30 June 2023, payments made in the district to beneficiaries under EU operational programs amounted to 3,300 BGN/person, against 2,800 BGN/person in the country. Within the district, the highest amounts were utilized by the municipality of Smolyan city.

🚌 Infrastructure ▪▪

The specific geographic location of the district as a border region and its mountainous terrain account for its relatively poorly developed infrastructure. Smolyan lacks railroads, highways and first-class roads. The density of its road network remains below the national average. Road surface quality remained relatively high in 2022, with the share of roads with surfaces in good condition reaching 56.5%, against the country's average of 41.1%.

Households' access to the internet has registered an increase and is above the national average.

% Local taxes ▪▪▪▪

In 2023, Smolyan again ranked among the districts with relatively low local taxes. The biggest differences with the respective national averages can be observed in the taxes on retail trade and motor vehicles. The average retail trade tax in the municipalities in Smolyan district for that year was 7.71 BGN/sq. m, versus 13.04 BGN/sq. m in the country. The tax on motor vehicles and passenger cars was 1.37 BGN/kW, compared to 1.56 BGN/kW nationally. Among the monitored taxes, the rate was higher for the tax on immovable non-residential property for legal entities.

Within the district, the municipalities levying the lowest average taxes are those of Smolyan city, Nedelino and Borino, and the highest – of Dospat municipality.

💼 Administration ▪▪▪

The self-assessments of the local administration on the development of e-government and the provision of one-stop shop services again remained low in 2023 and were below the respective national averages. The AIP Active transparency rating of the local administration also remained below the national average – 66.9% in the district, compared to 70.3% in the country.

Smolyan is the district with the second lowest share of own revenues in the municipalities' total revenues – 15.4%, versus 29.0% in the country, as well as the district with the lowest coverage of municipal expenditures with local revenues – 43.6%, versus 84.2% in the country.

🧑‍🤝‍🧑 SOCIAL DEVELOPMENT ▪▪▪▪▪

🏛 Demography ▪▪

Smolyan's population is among the fastest aging in the country and its demographic picture places the district in the penultimate place (only before Vidin). Both the natural growth and the net migration rates for 2022 remain strongly negative. The natural population growth rate is –14.7‰, versus –9.7‰ nationwide, and the net migration rate is the lowest in the country with a value of –4.5‰.

The district's age dependency ratios have been deteriorating fast and are considerably less favorable than in the country on average. In 2022, the ratio of the people aged 65+ to those aged 0–14 reached 256.4%, compared to 149.3% nationally, and was the second highest, after that in Vidin district. The ratio to the 15–64 age group was 45.3%, versus 37.7% countrywide.

The share of urban population in the district is relatively low – 57.4%, against the national average of 73.6%. At the same time, the density of the population remains relatively high – 1,614 persons/sq. km, compared to 1,404 persons/sq. km in the country.

📚 Education ▪▪▪▪▪

Smolyan continues to rank among the districts with the best performance in the education category, where it is outranked only by Sofia (capital city) and Varna. The district ranks first in the share of children attending kindergarten – 95%, compared to the national average of 87.3%. The net enrolment rate of schoolchildren in 5th–7th grade is also the highest in the country – 95.7%, compared to the average of 90.7% nationally, while the share of school year repeaters is the lowest countrywide – 0.3%, against 1.2% nationally. The index of the alignment between vocational education and the profile of the local economy is low – 37.5 points, compared to 53.6 points in the country. The main reason for this is the low interest in manufacturing-related courses at the expense of a relatively high number of students enrolled in ICT courses.

The performance of the district's students in 2023 was again much better than the country's average. The average score in the NEA in mathematics at the end of 7th grade was 37.6 points, against 35.3 points nationwide, and was the third highest in the whole country, preceded only by that in the capital and Varna district. The average result in the State matriculation exam in Bulgarian language and literature reached "Good" 4.09 in the district, versus 3.93 nationally, which ranked Smolyan district second only to the capital. The share of "fail" grades (below 3.00) was 7.2%, against 17.9% nationwide, and was the lowest nationwide.

✚ Healthcare ▪▪▪▪

The healthcare insurance system covers practically the whole of the district's population. The average life expectancy is among the highest in the country and the infant mortality rate – among the lowest. Access to GPs is relatively easy, though the number of specialist physicians is still considerably lower than the average one in the country.

Bed capacity in the local general hospitals equals the country's average – 5.9 beds per 1,000 people. The relative number of patients treated in the local general hospitals is 189 per 1,000 people, versus 235 per 1,000 people countrywide.

⚖ Security and justice ▪▪▪▪▪▪

In 2022, Smolyan district was once again among good performers in the security and justice category. The workloads of the local criminal judges were the lowest in the country, with a monthly average of 3.5 cases per judge, compared to 10.1 cases per judge nationally. This has had a beneficial effect on the speed of delivery of justice. The share of criminal cases closed within 3 months was among the highest in the country – 95%, against 89% nationally.

Smolyan is also among the districts with the lowest number of crimes. Registered crimes against the person and property number 5.1 per 1,000 people, against 11.6 per 1,000 people as the national average. At the same time, the detection rate in the district is high – 63% in the district, compared to 49% countrywide.

🌿 Environment ▪▪▪▪▪▪

Smolyan is among the districts with very good performance Smolyan is the district with the best performance in the environment indicators. It is the district with the highest share of forest areas – 71%, against 33% in the country, and with the lowest share of degraded land – 0.09%, versus 0.43% nationwide for 2022.

In 2021, 72.9% of the population were living in settlements with a public sewerage network, compared to 74.8% in the country, which is a comparatively high figure, given the low level of urbanization in the district. However, Smolyan district is still lagging behind in terms of the connectivity of sewerage networks to waste water treatment plants, with a coverage of only 44.0% of the local population, compared to the national average of 66.8%.

The amounts of household waste generated in the district are relatively small – 349 kg/person per year, against 445 kg/person on a national scale. At the same time, the share of this waste which has been handed over for treatment and recycling is also low – 52%, compared to 74% in the country.

🎭 Culture and tourism ▪

In 2022, cultural life in the district remained not particularly active, although after the sharp decline caused by the pandemic-related restrictions and for the second year in a row, interest in such activities has been growing. Cinema visits numbered 137 per 1,000 people, against 590 per 1,000 people nationally. Visits to the local museums amounted to 266 per 1,000 people, against 619 per 1,000 people in the country. Local libraries attracted 181 visits per 1,000 people, against 584 visits per 1,000 people nationally.

In 2022, tourism in the district was again strongly represented. The number of beds in accommodation facilities continued to grow and reached 135 per 1,000 people, which is the fourth highest number relative to the population after that in the seaside districts (Burgas, Dobrich and Varna). The number of overnight stays in the district also ranks the district fourth in the country with 7,993 per 1,000 people, compared to 3,739 per 1,000 people in the country.

Key indicators for the district of Smolyan

Economic Development Indicators	2020	2021	2022	National average
Gross domestic product (GDP) per capita (BGN, current prices)	12,028	12,609	n.a.	20,212
Average gross annual salary of people employed in a labor or service contract (BGN)	12,037	13,379	n.a.	18,733
Share of people living below the national poverty line (%)	24.4	23.0	28.7	22.9
Share of the working-age population (%)	58.1	57.7	56.5	58.5
Average annual employment rate of the population aged 15–64 (%)	65.2	64.6	68.0	70.4
Average annual unemployment rate of the population aged 15+ (%)	10.6	8.6	10.0	5.2
Relative share of the population aged 25–64 with primary or lower education (%)	14.0	12.9	13.0	16.0
Relative share of the population aged 25–64 with higher education (%)	23.5	24.3	24.3	29.8
Production value per capita (BGN)	15,649	17,612	n.a.	31,242
Expenditures on the acquisition of fixed tangible assets per capita (BGN)	2,197	2,714	n.a.	3,097
Foreign direct investment in non-financial enterprises per capita (cumulative) (EUR)	565	692	n.a.	4,098
Share of households with broadband internet access (%)	73.6	76.3	90.3	87.3
Share of road surfaces in good condition (%)	55.1	50.1	56.5	41.1
Coverage of municipal expenditures with local revenues (%)	48.6	52.3	43.6	84.2
Active Transparency Rating of local government bodies (%)*	72.2	66.9	66.9	70.3

Social Development Indicators	2020	2021	2022	National average
Natural population growth rate (‰)	n.a.	n.a.	−14.7	−9.7
Net migration rate (‰)	n.a.	n.a.	−4.5	4.2
Average grade in the State matriculation exam in Bulgarian language and literature**	4.44	4.12	4.09	3.93
Average grade in the National external assessment in mathematics after 7th grade (points)**	42.6	39.4	37.6	35.3
Net enrolment rate of the population (5th to 7th grade) (%)	90.8	91.8	95.7	90.7
Average life expectancy (years)***	75.0	74.0	73.4	71.9
Share of people with health insurance (%)	95.6	97.5	(100.0)	93.5
Population per one GP (persons)	1,605	1,552	1,450	1,678
Crimes against the person and property per 1,000 population	5.1	4.3	5.1	11.6
Share of pending criminal cases (%)	8.7	14.0	9.6	11.6
Share of the population living in settlements with a public sewerage network (%)	73.4	72.9	n.a.	74.8
Generated household waste per capita of serviced population (kg/person/year)	315	349	n.a.	445
Share of household waste handed over for treatment and recycling (%)	43.5	52.4	n.a.	74.0
Visits to cinemas (number/1,000 population)	38	95	137	590
Overnight stays in accommodation facilities (number/1,000 population)	6,106	6,045	7,993	3,739

  * The 2022 data are included in the 2023 study. The same is valid for the previous years.
 ** The data refer to the 2022-23 academic year, while the State matriculation exams took place in 2023. The same is valid for the previous years.
*** Data are for three-year periods and are updated annually.