

# Varna district

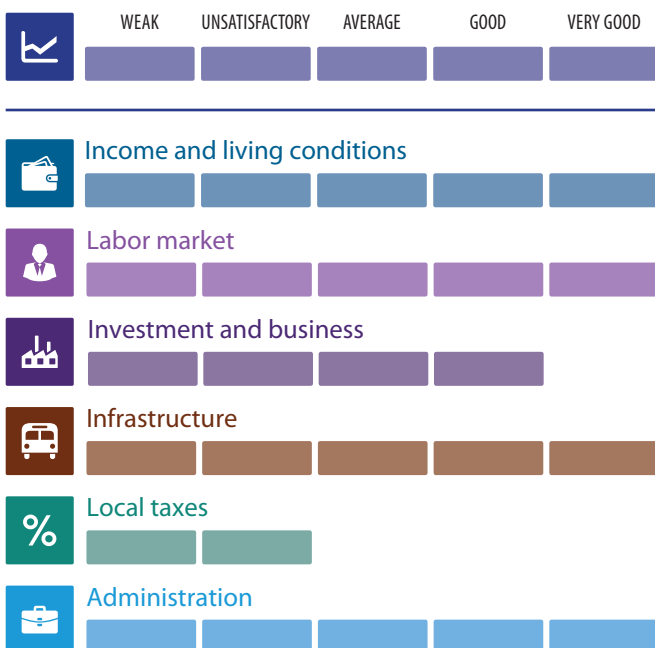
▶ Population (2021)	432,198
▶ Territory (sq. km)	3,819
▶ Number of settlements	159
▶ Share of urban population (%)	84.2



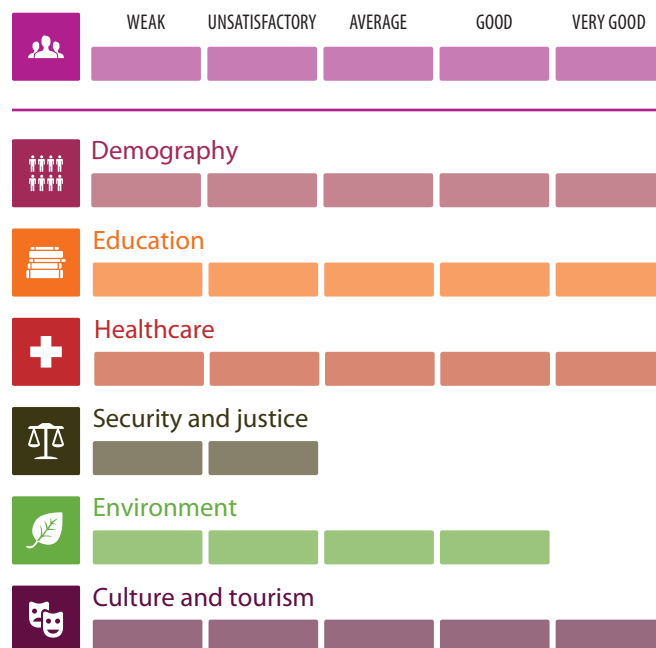
In 2021, Varna remained among the top-ranking districts in terms of GDP per capita. Salaries and incomes have continued to grow. Trends in the labor market in 2022 ranked the district second in the country. Investment and business activity again remain relatively high. Utilization of European funding is lagging behind. The district's infrastructure is well developed. The average levels of the monitored local taxes again remained high in 2023. On average, the coverage of municipal expenditures with local revenues for the municipalities of the district is nearly total.

Varna is among the districts with a relatively favorable demographic development. In the field of education, trends are moving in a positive direction. The performance of students in 2023 was very good. Compared to the national average values, Varna district has more doctors but hospital beds are insufficient. The crime rate is relatively high, and the detection rate – relatively low. With its high share of urban population, a relatively large part of its citizens live in settlements with public sewerage. Cultural life in the district is active, and tourism – well developed.

## ECONOMIC DEVELOPMENT



## SOCIAL DEVELOPMENT



## ECONOMIC DEVELOPMENT

### Income and living conditions

GDP in Varna has been rising and in 2021 it ranked the district immediately below the top three (the capital and the districts of Stara Zagora and Sofia). Salaries and pensions have been growing at a rate close to the national average and are relatively high. The average annual gross salary of persons employed in a labor or service contract reached 17,200 BGN in 2021, and the average monthly pension was 569 BGN.

Inequality and poverty in the district remained at relatively low levels in 2022. The Gini coefficient for income inequality is 33.5, compared to 38.4 nationally. The share of the population living below the national poverty line declined to 14.2%, versus 22.9% nationally, and is the second lowest in the country, below that in the capital.

### Labor market

In this category, Varna's score is the second highest in the country (below that of the capital) and on a number of indicators the district also ranks second with the most favorable results for 2022. The share of the working-age population is decreasing, but remains relatively high at 60.3%, compared to 58.5% in the country. Economic activity has increased significantly to 78.0%, versus 73.6% nationally. At the same time, employment is increasing and unemployment is decreasing. The employment rate has reached 77.2%, against 70.4% in the country, and the unemployment rate – 3.2%, compared to 5.2% in the country.

The educational status of the work force in the district also remained good in 2022. The share of university graduates among the population aged 25–64 increased by 4.2 p.p. to 34.4% and is now consistently above the national average of 29.8%. The share of the workforce with primary or lower education has increased slightly and is already higher than the national average – 16.2% in the district, compared to 16.0% in the country.

The relatively good demographic trends in Varna district are also an important factor for a more favorable development in the labor market. The population replacement rate as a ratio of the population aged 15–19 to that aged 60–64 is 77.1%, which is the third highest in the country after Sliven and the capital.

### Investment and business

Investment and business activity in the district remained relatively high in 2021. The number of non-financial enterprises continues to be relatively high, maintaining the level of 69 per 1,000 people, compared to 60 per 1,000 people in the country. Domestic and foreign investment is growing. The amount of FTA acquisition expenditures has reached 2,700 BGN/person, and FDI – 3,300 EUR/person. Production value in the district also increased to 26,700 BGN/person in 2021.

Utilization of European funding nevertheless remains relatively low. By 30 June 2023, payments made in the district under EU operational programs amounted to 1,980 BGN/person, compared to 2,836 BGN/person nationally.

Expenditure on research and development is relatively high.

### Infrastructure

The infrastructure of Varna remained relatively well developed in 2022, placing the district at the top in the whole country in this category. The density of the road and railway networks is high. The share of highways and first-class roads is also considerable – 27.4%, compared to 18.5% in the country. The quality of the road surface has remained high. 57% of the roads in the district are in good condition, versus 41% countrywide.

The relative share of households with internet access is close to the country's average – 87.7%, against the national average of 87.3%.

### Local taxes

Within Varna district, the average level of the monitored local taxes levied by the municipalities again remained high in 2022, ranking the district second only to the capital. The margin is particularly large in the taxation on non-gratuitous acquisition of property, retail trade and taxi transportation. Within the district, Varna city is the municipality levying the highest local taxes, and the municipalities of Dolni Chiflik and Vetrino – the lowest.

### Administration

Varna district ranks first in the country in this category as well. In 2023, the self-assessments of the local administrations on the development of e-government and the provision of one-stop shop services again remained high. The AIP Active transparency rating of the local administration has gone up and also remains among the best in the country, ranking Varna district third with 76.8 p., against 70.3 p. nationally.

The relatively high share of own revenues in the total revenues of the district's municipalities in 2022 puts Varna in third place in the country with an average of 35.2%, versus 29.0% nationally. The coverage of municipal expenditures with local revenues is also almost complete.

## SOCIAL DEVELOPMENT

### Demography

In 2022, Varna remained among the districts with very good demographic development, where it ranks second after the capital city in this indicator. The rate of natural increase is  $-6.9\%$ , which is among the highest in the country and far above the national average of  $-9.7\%$ . Varna district continues to attract population and at  $6.1\%$ , the net migration rate retains its positive value.

This also reflects on the age dependency ratios, which in Varna district remain relatively favorable. The ratio of people aged 65+ to those aged 0–14 is 143.8%, compared to 165.9% in the country, and to those aged 15–64 it is 33.5%, versus 37.7% in the country.

Varna is among the districts with the highest share of urban residents and population density in the urban areas.

### Education

Varna is among the districts with the best performance in the field of education, coming second in the country only below Sofia (capital city). The share of children attending kindergarten was 90.3% in 2022, against 87.3% nationally, and the enrolment rate in 5th–7th grade – 92.8%, compared to 90.7% countrywide. The percentage of school year repeaters remains relatively low – 0.8%, versus 1.2% nationally. The alignment between vocational education and the profile of the economy in the district is relatively weak.

In 2023, the performance of students in Varna district in the NEA in mathematics at the end of 7th grade was relatively good, with an average of 42.6 points, compared to 35.3 points in the country. The average result in the Matriculation exam in Bulgarian language and literature was “Good” 3.94 – very close to the average grade nationwide of 3.93. The share of “fail” (below 3.00) grades was 16.1%, against 17.9% nationwide. Although these scores remain above the national averages, student performance in the district has shown a significant decline.

The number of university students remains relatively high.

### Healthcare

In 2022, Varna remained among the districts with a relatively low share of people with health insurance – 91.2%, compared to 93.5% nationwide. Compared to the national averages, the district has more doctors but it suffers from a shortage of hospital beds. The number of hospital beds in the general hospitals is 4.7 per 1,000 people, against 5.9 per 1,000 people countrywide. The number of patients treated in the local general hospitals is also low – 173 per 1,000 people, versus 235 per 1,000 people countrywide. The infant mortality rate has been decreasing and remains relatively low. The average life expectancy of the district’s residents is among the highest in the country at 73.6 years, compared to 71.9 years nationally.

### Security and justice

The workloads of criminal judges in Varna district remain relatively low. In 2022, there were 7.7 cases a month per one local judge, compared to 10.1 per judge nationally. The smaller workloads affect the speed of delivery of justice. The share of criminal cases closed within 3 months is 91%, compared to under 89% as the national average, and that of pending cases – 7%, compared to 12% nationally.

The crime rate in the district went up in 2022 and is among the highest in the country, second only to Vratsa district. At the same time, detection rates have been decreasing. Registered crimes against the person and property in Varna district amount to 14.5 per 1,000 people, with 11.6 per 1,000 people as the national figure. The detection rate of 39% is below the national average of 49% and is the second lowest in the country, after that of the capital district.

### Environment

With Varna district’s large share of urban population, a large part of it lives in settlements with a public sewerage network – 85.8%, versus 74.8% countrywide, and in areas with a sewerage system connected to a waste water treatment plant – 85.6%, against the national average of 66.8% for 2021.

In 2021, Varna remained among the districts with the highest amounts of waste generated by the households – an annual of 512 kg/person, against 445 kg/person on a national scale. At the same time, however, a relatively large share of this waste was handed over for treatment and recycling – 85%, against 74% as the national average.

The share of forest areas in Varna district is lower than the national average, and the share of degraded land is higher. The installed RES capacities relative to the population are significantly lower than the average for the other districts.

### Culture and tourism

In the assessment related to the indicators for culture and tourism, Varna district ranks in the top three (after Burgas and the capital). Cinema visits increased significantly in 2022 and remain above the national average. The trends are similar for visits to theatres and libraries.

The number of beds in accommodation facilities is 144 per 1,000 people, compared to 55 per 1,000 people nationally. Varna district ranks second (after Burgas) as regards the relative number of overnight stays and also second (after Haskovo) in the share of people employed in the culture, sport and entertainment sector.

## Key indicators for the district of Varna

Economic Development Indicators	2020	2021	2022	National average
Gross domestic product (GDP) per capita (BGN, current prices)	15,629	17,872	n.a.	<b>20,212</b>
Average gross annual salary of people employed in a labor or service contract (BGN)	15,299	17,201	n.a.	<b>18,733</b>
Share of people living below the national poverty line (%)	22.9	17.3	14.2	<b>22.9</b>
Share of the working-age population (%)	61.7	62.0	60.3	<b>58.5</b>
Average annual employment rate of the population aged 15–64 (%)	70.2	73.8	77.2	<b>70.4</b>
Average annual unemployment rate of the population aged 15+ (%)	5.6	3.9	3.2	<b>5.2</b>
Relative share of the population aged 25–64 with primary or lower education (%)	14.4	15.8	16.2	<b>16.0</b>
Relative share of the population aged 25–64 with higher education (%)	24.8	30.2	34.4	<b>29.8</b>
Production value per capita (BGN)	21,397	26,672	n.a.	<b>31,242</b>
Expenditures on the acquisition of fixed tangible assets per capita (BGN)	2,247	2,692	n.a.	<b>3,097</b>
Foreign direct investment in non-financial enterprises per capita (cumulative) (EUR)	3,166	3,299	n.a.	<b>4,098</b>
Share of households with broadband internet access (%)	77.5	91.1	87.7	<b>87.3</b>
Share of road surfaces in good condition (%)	46.2	56.5	56.8	<b>41.1</b>
Coverage of municipal expenditures with local revenues (%)	93.9	100.0	101.2	<b>84.2</b>
Active Transparency Rating of local government bodies (%)*	78.7	76.5	76.8	<b>70.3</b>

Social Development Indicators	2020	2021	2022	National average
Natural population growth rate (‰)	n.a.	n.a.	–6.9	<b>–9.7</b>
Net migration rate (‰)	n.a.	n.a.	6.1	<b>4.2</b>
Average grade in the State matriculation exam in Bulgarian language and literature**	4.39	4.11	3.94	<b>3.93</b>
Average grade in the National external assessment in mathematics after 7th grade (points)**	44.4	43.3	42.6	<b>35.3</b>
Net enrolment rate of the population (5th to 7th grade) (%)	83.6	83.0	92.8	<b>90.7</b>
Average life expectancy (years)***	75.4	74.2	73.6	<b>71.9</b>
Share of people with health insurance (%)	83.9	83.8	91.2	<b>93.5</b>
Population per one GP (persons)	1,685	1,710	1,567	<b>1,678</b>
Crimes against the person and property per 1,000 population	12.5	11.8	14.5	<b>11.6</b>
Share of pending criminal cases (%)	7.4	8.4	6.7	<b>11.6</b>
Share of the population living in settlements with a public sewerage network (%)	86.1	85.8	n.a.	<b>74.8</b>
Generated household waste per capita of serviced population (kg/person/year)	391	512	n.a.	<b>445</b>
Share of household waste handed over for treatment and recycling (%)	86.6	84.8	n.a.	<b>74.0</b>
Visits to cinemas (number/1,000 population)	306	568	963	<b>590</b>
Overnight stays in accommodation facilities (number/1,000 population)	4,100	7,106	9,451	<b>3,739</b>

\* 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.