Blagoevgrad District

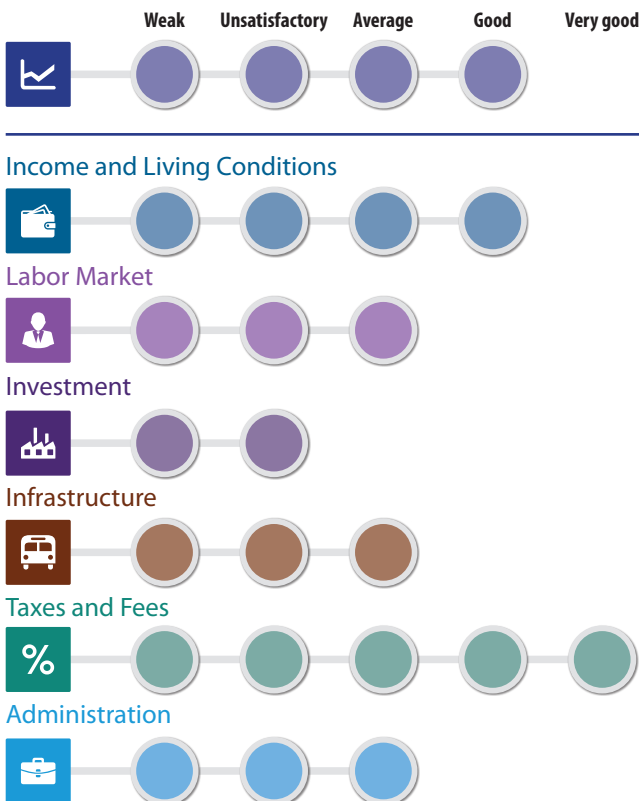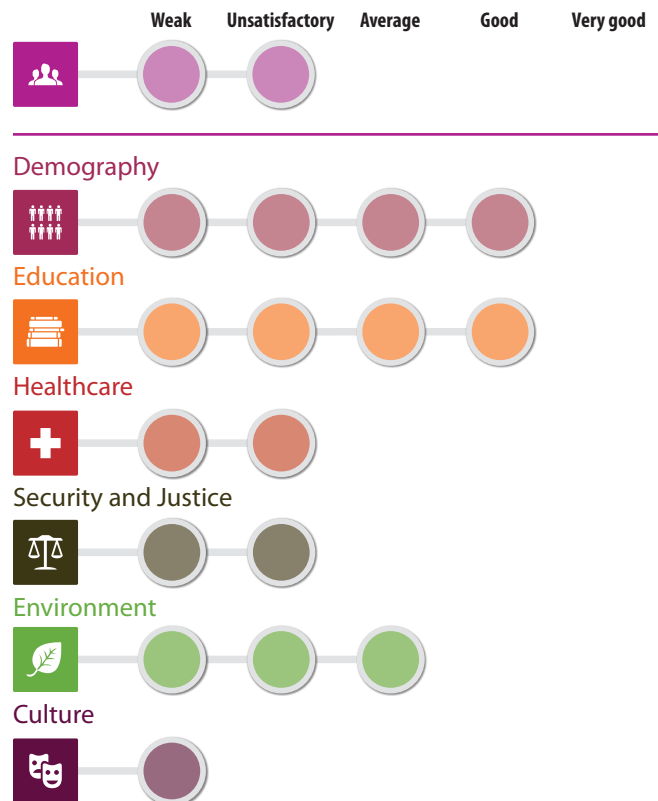|	
▶ Population (2015)	314,204
▶ Area (sq. km)	6,449.5
▶ Number of settlements	281
▶ Share of urban population (%)	59.5

Overview

Though the labor market in the district of Blagoevgrad is showing some signs of recovery, salaries in the district are growing more slowly than the national average. The relatively low percentage of people with higher education – about 20% of the population – shows that the vast majority of students leave the district after graduating, which poses obstacles to its further development. Investment is growing gradually, though both investment and EU funds utilization remain below the country average. The share of roads in good condition is growing, though the density of the road and railway networks has remained low. The level of local taxes is relatively low and the work of the local administration is rated close to the country average.

The relatively good age structure of the population also has a positive influence on the rate of natural increase, which is way above the national average. Migration out of the district is still intensive. A considerable part of the population eligible for education has been successfully enrolled in the educational system, though the performance of school leavers at the state matriculation exams in Bulgarian language and literature is deteriorating. There is still shortage of general hospital beds and medical specialists in the district. The environment has remained in good condition mostly because of the low level of harmful emissions. The local judicial system is relatively slow though judges are not overloaded. The intensity of culture events remains low.

ECONOMIC DEVELOPMENT

	Weak	Unsatisfactory	Average	Good	Very good

Income and Living Conditions

Labor Market

Investment

Infrastructure

Taxes and Fees

Administration

SOCIAL DEVELOPMENT

	Weak	Unsatisfactory	Average	Good	Very good

Demography

Education

Healthcare

Security and Justice

Environment

Culture

ECONOMIC DEVELOPMENT ●●●●

Income and Living Conditions ●●●●

Blagoevgrad has traditionally shown good results in terms of living conditions and social inclusion indicators. In spite of the rise for two successive years, the percentage of people living below the national poverty line is 18.2% vs. the national average of 21.8%. The share of people living in material deprivation is 22.1% vs. the national average of 33.1%. In 2015, the average annual income per household member reached 4,502 BGN; now it is 90.9% of the national average. Thanks to the relatively high employment rate and the favorable demography almost 60% of households' total income is formed by salaries vs. the average for the country 57%. However, the average annual gross salary has been increasing more slowly than it has in the country, reaching 6,818 BGN in 2014 when the national level was 9,860 BGN.

Labor Market ●●●

After two years of decline, the employment rate in the district started going up again and reached 63.4% in 2015 when the country average was 62.9%. The same year the unemployment rate fell to 10.3% vs. 14.1% in 2014. In view of the relatively small growth of employment, part of the former unemployed joined the economically inactive group. Despite the presence of leading universities, the share of the population aged 25 to 64 with higher education remains low – 19.5% vs. an average 27.5% for the country in 2015. This shows that the vast majority of students leave the district after graduating. The share of people with primary or lower education was 22.8% vs. the national average of 18.1%. This relatively unfavorable educational structure does not suggest that the employment levels of almost 70% from the pre-crisis years are likely to be reached soon, and partly explains the slower growth of salaries and wages.

Investment ●●

Blagoevgrad is one of the few districts in the country where foreign direct investment did not decline during the crisis years. By the end of 2014 they amounted to 384 m euro, which was 1,224 euro per capita vs. average of 3,006 euro per capita for the country. In 2014, expenditure on the acquisition of fixed tangible assets of enterprises increased for the second year in a row to reach 1,563 BGN per capita vs. 2,786 BGN per capita in the country. Yet, their level was still lower than that of 2008 by almost 25%.

Municipalities in the district of Blagoevgrad achieved a relatively low degree of utilization of EU funds under the operational programs. As of May, 31st 2016 they had utilized a total of 185.5 m BGN, or 590.5 BGN per capita of the annual average population. The national average was 688.8 BGN per capita. The municipality of Bansko utilized more than any other one

(44.6 m BGN or 3,497 BGN per capita), whereas Hadjidimovo utilized least (812,000 BGN, or 85 BGN per capita).

Infrastructure ●●●

Blagoevgrad is one of the districts with the lowest density of the railway network (2.5 km per 100 sq. km territory) and the lowest density of the road network in the country – 10.3 km per 100 sq. km territory. As of 2014 the share of motorways and first class roads was 13.1% vs. national average of 18.1%, but in the next years this ratio, as well as the density of the road network as a whole, has improved due to the completion of successive stages in the construction and operation of the "Struma" motorway. In 2015, almost 60% of road surfaces were in good condition, while nationally this figure was 40.7%: only the district of Sliven had registered a higher percentage (72.4%).

After 2012 the relative share of households with internet access in Blagoevgrad district was higher than the national average, reaching 63.3% in 2015. Almost 60% of persons aged 16 to 74 have used the Internet, which is close to the national level.

Taxes and Fees ●●●●●

Most local taxes and fees in the district of Blagoevgrad are lower than the national average and have stayed unchanged in recent years.

The average immovable property tax rate for legal entities (1.35‰) is the second lowest in the country after that of Ruse (1.34‰). The vehicle tax rate is 1.18 BGN/kW vs. the national average rate of 1.35 BGN/kW. These rates are lower only in the districts of Vidin, Kyustendil, Montana, and Ruse. Only the annual waste collection charge for properties of legal entities is somewhat higher than the national average rate.

Administration ●●●

In 2015, the cadastral map covered 13.8% of the district's territory, while the country average was 19.8%. The widest coverage was in the municipalities of Belitsa (97%) and Bansko (61%), while Satovcha, Simitli, Strumyani, Hadjidimovo, Yakoruda have no cadastral coverage yet. Electronic services in the district are less developed than the national average levels, but 6 of the 14 municipalities in the district reported an excellent level of development in "one-stop shop" services.

The Access to Information Program (AIP) Foundation evaluated the local authorities' transparency at 46.7%, which is lower than the national average (54.2%) for a third year in succession. The district was rated lower than the national average in the Local Integrity System Index of Transparency International, too.

SOCIAL DEVELOPMENT ●●

Demography ●●●●

The district of Blagoevgrad has the second most favorable ratio between the population aged over 65 and that aged 15 to 64. In 2015, it reached 26.5% vs. the national average of 31.1%, and the capital's one being lowest (24.3%). The relatively good age structure has a positive influence on some of the other demographic indices, too. After a five-year period of decline, the rate of natural increase, which has been traditionally more favorable than those in most districts, rose to –3.4‰ in 2015, while the national average was –6.2‰. At the same time, the net migration rate of the district deteriorated to reach –5.3‰, its most negative value since 2006. With 59.5% of the district's population living in urban areas vs. the national average of 73.1%, its level of urbanization is not very high.

Education ●●●●

In 2015, the net enrolment rate of the population in 5th–8th grade reached 84.0%, the third highest value after those of Vratsa and Razgrad. The relative shares of repeaters (0.7%) and dropouts (1.5%) in primary and secondary education was also below the national average levels: 1.0% and 2.8%, respectively. These figures indicate that the educational system in the district of Blagoevgrad succeeded in enrolling and keeping a considerable part of the eligible for education. Between 2012 and 2015 the average grade of local school leavers at state matriculation exams in Bulgarian language and literature was higher than the national average. In 2016, under tightened exam administration control, the share of failing grades went over 10%. Though the district of Blagoevgrad continues to be one of the leading university centers in the country, in 2015 the number of students fell for a second successive year to reach 12,084 compared to 13,706 in 2013.

Healthcare ●●

Despite some positive tendencies in recent years, Blagoevgrad is still the district with the worst healthcare in the Southwestern region of the country.

The main problem is the limited number of available beds in multi-profile hospitals for active treatment. Although it has grown for the third year in succession, the ratio of hospital beds to the local population (3.2 beds per 1,000 people) continues to be considerably lower than the 4.6 beds per 1,000 people on average for the country. The ratio between general practitioners and the local population was 1,595 people per general practitioner in 2015 vs. 1,619 per general practitioner in Bulgaria. The number of people per specialist doctor fell for the second year in a row, but was still higher than the national average. In 2015, 89.9% of the population had health insurance, which exceeds for the first time the national average levels since 2008.

Security and Justice ●●

Although Blagoevgrad is among the districts with the lowest levels of registered crimes in Bulgaria, the rating of the district in this category has been lowered because of the relatively slow work of the local judiciary. In the last two years 11 crimes per 1,000 people have been registered, the average being over 13.5 crimes per 1,000 people. The only district with a higher share of pending criminal cases in the district court is Sofia (capital city), which, however, has a much higher workload for penal judges: 12.5 cases per month compared with 7.9 cases per month for Blagoevgrad. After 2012 there has been a notable tendency for the share of criminal cases cleared within 3 months to increase. In 2015, they reached 84.0%, while still staying below the country average of 88.1%.

In 2015, the clearance crime rate stayed high, reaching 49.3% vs. 39.2% for the country.

Environment ●●●

The environment in the district of Blagoevgrad remains in a relatively good condition. In 2014, the level of carbon dioxide emissions into the atmosphere fell for the third successive year to 11.3 t/sq. km, which was almost 30 times below the country average levels. Lower figures were observed only in the districts of Dobrich, Kardzhali, Montana, and Smolyan.

The water supply and sewerage network is in a relative good condition. In 2014, over 77% of the population lived in settlements with public sewerage systems. The wastewater processing system remains problematic: only 26.8% of the population with sewerage is connected to wastewater treatment plants vs. national average of 56.8%. In 2015, the reconstruction of the municipal wastewater treatment plant near the Strumsko quarter of Blagoevgrad came to completion.

Culture ●

In 2015, the intensity of cultural life in the district of Blagoevgrad remained way below the national average levels. Relative to the local population, visits to cinemas were 2.5 times lower than the country average, while those to theatres and museums were 2.2 and 2.5 times lower, respectively. The only positive tendencies to be noted were those regarding the interest in local libraries, which, relative to the population, reported 340 visits per 1,000 people or 3 times higher levels than the annual average levels between 2009 and 2013. The national average levels, however, remained much higher, with 583 visits per 1,000 people.

Key Indicators for the District of Blagoevgrad

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	6,398	7,363	7,532	7,605	7,567	n.a.
Average annual income per household member (BGN)	3,077	3,225	3,823	4,132	4,181	4,502
Average annual gross salary (BGN)	5,683	5,990	6,271	6,566	6,818	n.a.
Relative share of people living below the national poverty line (%)	17.6	12.4	15.3	18.2	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	68.3	70.5	73.0	73.2	73.0	70.8
Annual average employment rate of the population aged 15 to 64 (%)	64.3	64.6	65.4	63.3	62.6	63.4
Annual average unemployment rate of the population aged 15 to 64 (%)	5.8	8.4	10.4	13.5	14.1	10.3
Relative share of the population aged 25 to 64 with tertiary education (%)	15.9	16.6	17.7	18.0	19.6	19.5
Number of non-financial enterprises per 1,000 people	50	50	53	55	58	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	1,049	1,228	1,105	1,335	1,563	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	771	798	957	1,116	1,224	n.a.
Relative share of households with internet access (%)	24.3	42.3	54.9	60.5	61.9	63.3
Share of roads in good condition (%)	39.0	56.6	55.0	51.9	49.1	59.7
Share of territory included in cadastral maps (%)	10.4	11.3	11.3	12.8	12.9	13.8

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	−1.8	−2.1	−2.6	−2.7	−3.6	−3.4
Net migration rate (‰)	−4.4	−3.2	−4.8	−3.7	−4.5	−5.3
Average grades at state matriculation exams	4.2	4.5	4.2	4.3	4.4	4.2
Percent of failed students at state matriculation exams ("average" 3.00)	4.4	3.5	5.4	3.8	2.7	6.1
Net enrolment rate of the population in 5th–8th grade (%)	84.5	84.5	83.8	83.5	82.9	84.0
Health insured persons as share of the population (%)	86.4	86.6	86.1	84.9	86.3	88.9
Cases of hospitalization in general hospitals per 1,000 people	127	127	160	169	143	183
Registered crimes against the person and property per 1,000 people	15.4	12.8	12.9	12.0	11.1	11.0
Clearance rates for crimes against the person and property registered during the year (%)	50.9	36.1	33.4	39.0	40.6	49.3
Share of pending criminal cases (%)	17.3	1.5	11.9	13.5	10.5	15.4
Share of the population living in settlements with public sewerage systems, connected to WTTP (%)	25.8	26.3	26.3	26.5	26.8	n.a.
Carbon dioxide emissions into the atmosphere (t/km2)	16.1	21.6	20.8	16.6	11.3	n.a.
Number of visits to cinemas per 1,000 people	267	285	308	323	307	318
Number of visits to theatres per 1,000 people	110	113	104	131	124	138