

Burgas District

▶ Population (2015)	414,034
▶ Area (sq. km)	7,748.1
▶ Number of settlements	261
▶ Share of urban population (%)	76.1



Overview

As the crisis set in, the economy of Burgas district encountered tremendous difficulties. Between 2011 and 2013 there was some recovery, but in 2014 GDP shrank as figures went back to their crisis levels of 2009–2010. A similar tendency was notable in household incomes in the district though salaries went on growing rapidly in 2014. That was probably due to the stable recovery of employment in the district despite the unfavorable educational structure of the workforce. The district ranks among the first in Bulgaria in number of enterprises, domestic investment, and EU fund utilization relative to the population. Foreign investment declined sharply in 2014 but that was due to an

accounting operation between Neftohim and its parent company. Local taxes and fees are relatively high but the administration services are developing and local administrations are relatively transparent.

Demographic tendencies in the district are less negative than those common for the country as a whole. The rate of natural increase remains negative while the district continues to attract people. Healthcare suffers from a shortage of doctors and hospital beds. The number of registered crimes is higher than the average in Bulgaria, but the administration of justice is relatively fast. Interest in libraries and museums in the district is relatively weak.

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

Before the crisis the economy of Burgas experienced rapid development: in 2005 and 2006 the district's GDP per capita outpaced the national average value. In 2008, Burgas had the fourth highest GDP per capita in the country but as the crisis set in, the district's economy faced huge difficulties. Despite the recovery between 2011 and 2013, in 2014 GDP declined sharply and returned to its crisis level of 2009–2010. It fell by 11% and the district went to the ninth place in Bulgaria with 8,687 BGN per capita (vs. 11,574 BGN per capita for the national level). The same tendency was typical of household incomes in the district in 2014. In 2015, however, the annual average income per household member grew to 4,275 BGN (vs. 4,953 BGN for the country). Salaries in Burgas constituted a smaller share of incomes than the country average share (53% in Burgas vs. 57% in Bulgaria), while the share of pensions was 39% (vs. national average of 27%).

At the same time salaries in the district had a stable growth probably due to the lasting recovery of employment rates since 2012. Still, salaries stayed about 10% lower than the average in 2014.

Labor Market

Economic activity in Burgas kept growing and in 2015 it was higher than the national average for the first time: 69.4% vs. 69.3% for the country as a whole. Employment also had a stable growth after 2012 to reach 62.2% compared with 62.9% in the country. However, the decline in unemployment was more hesitant and its rate remained relatively high: 10.3% vs. the national rate of 9.1%. Furthermore, before the crisis Burgas was among the districts with the lowest unemployment rate – below 4%. A possible explanation can be the relatively unfavorable educational structure of the local population. In 2015, 19.3% of the population aged 25 to 64 had higher education (vs. 27.5% for the country), while 28.8% had primary or lower education (vs. 18.1% for the country).

Investment

A high investment activity characterizes the district. It ranks second in the country (after the capital) in its number of non-financial enterprises per capita: 69 per 1,000 people vs. 53 per 1,000 people in Bulgaria in 2014.

Expenditures on the acquisition of fixed tangible assets remained almost two times higher than the national average, thus again placing Burgas second in the country: 4,471 BGN per capita to 2,786 BGN per capita for the country in 2014.

Burgas also ranks second in utilization of EU funds by municipalities. By May 31st, 2016 the value of payments under contracts with municipalities as beneficiaries in operational programs was 1,413.6 BGN per capita, which is twice the

country average value of 688.8 BGN per capita. In the district it was the municipality of Sozopol that utilized most funds: 4,773.1 BGN per capita, while that of Tzarevo and Sungurlare utilized least (below 100 BGN per capita).

In 2014, direct foreign investment in the district (cumulative) declined dramatically, by 1.5 bln euro. The major reason behind was a matter of accounting, i.e., the decline was due to financial operations between “Lukoil Neftohim Burgas” and its parent company, “Lukoil Europe Holdings” registered in the Netherlands.

Infrastructure

The density of the road and railway network in the district of Burgas is lower than the national average, but thanks to the “Trakia” motorway the share of motorways and first class roads is considerably higher: 25.4% vs. 18.1% for the country in 2014. Yet, in 2015 the quality of road surfaces continued to be lower than the national average, although it showed some improvement compared to the previous year. Almost 40% of the roads in the district have a good quality road surface vs. 40.7% for the country.

Internet access and internet use in the district rose in 2015 to overtake the average values for Bulgaria.

Taxes and Fees

On the whole, the rates of local taxes and fees in the district's municipalities are higher than the national average. In 2016, the municipalities in the Burgas district made the greater number of changes in local taxation: nine of them included increasing the tax burden and two lowering it. The municipality of Pomorie raised three of the monitored five rates and Sungurlare raised two, while Burgas, Sozopol, Malko Tarnovo, and Ruen raised one. The municipalities of Burgas and Primorsko lowered the waste collection charge for immovable properties of legal entities.

Administration

In 2016, municipalities in the district gave themselves a close, though lower than the national average rates of self-assessment for the development of electronic government and providing one-stop shop administrative services.

The rating of the AIP Foundation for the transparency of municipal administrations in the district is higher than the average: 59.50% vs. the national average of 54.25% in 2016. According to the criteria for evaluation the most transparent municipality is that of Burgas, whereas the least transparent one is that of Nesebar.

SOCIAL DEVELOPMENT ●●●

Demography ●●●●

In 2015, Burgas had the lowest negative rate of natural increase in Bulgaria after Sofia and Sliven; still, its value followed the negative tendencies in the country as a whole. The district of Burgas also ranks second in the country (after Sliven) with its most favorable age dependency ratio as a ratio of the population aged over 65 to that aged 0 to 14: 119.6% in Burgas vs. 146.4% in Bulgaria in 2015.

In 2015 the net migration rate in the district rose to 2.7‰ and Burgas became the third most attractive settlement destination after the capital and the district of Sofia.

A relatively great part of the population of the district lives in towns, and the density of population in urbanized territories is among the highest in the country.

Education ●●●

Burgas occupies the second place after Sliven among the districts with the smallest number of teachers in primary and secondary education relative to the number of students. The shares of dropouts and repeaters in primary and secondary education remain below the national average levels, though in 2014 the share of high school dropouts increased for the second successive year, rising extremely fast. In 2015, the rate of enrolment in junior high schools in the district rose against the background of falling enrolment rates nationwide, thus Burgas outpaced the national average figure.

The share of failing grades at state matriculation exams in Bulgarian language and literature rose for a second successive year in 2016 to reach 10.13% (vs. 8.73% national average). At the same time, the average grades of school leavers fell to “good” 4.08 (vs. 4.17 nationwide).

University and college student numbers continued to fall each year to reach 20 students per 1,000 people, while the national average number was 36 per 1,000 people in 2015.

Healthcare ●●

Healthcare in the district of Burgas is still suffering from both a shortage of doctors and an insufficient number of hospital beds. In 2015 there was one general practitioner per 1,944 people, while the national average number was 1,619. A specialist in Burgas was responsible for 647 people, compared to average 544 for the country. Burgas is also among the districts with the smallest number of hospital beds relative to the population. In 2015, that number fell to 2.9 beds in general hospitals per 1,000 people (the national average number being 4.6 per 1,000 people).

The data on the access of the population to health specialists and hospital beds can explain the relatively low number of people who seek medical treatment in the district. In 2015,

patients admitted in general hospitals were 167 per 1,000 people against 232 for the country as a whole.

Security and Justice ●●●

Despite the relatively high workload of judges in the district, administration of justice is relatively fast. In 2015, 93.0% of criminal cases were closed within 3 months (vs. 88.1% nationwide), whereas the share of pending cases declined to 6.5% (vs. 9.4% in the country).

At the same time, the number of registered crimes against the person and property in the district of Burgas is higher than the national average levels. In 2015, 20.2 crimes per 1,000 people were registered compared to the country average of 13.6 per 1,000 people. The district is also characterized by a relatively low crime clearance rate: 33.5% of the crimes registered in 2015 were cleared compared with the national average of 39.2%.

Environment ●●●

The concentration of the district's population in urban areas determines the relatively high share of people living in places with access to public sewerage systems and their connectedness with wastewater treatment plants.

The level of carbon dioxide emissions into the atmosphere is also considerably lower than the country average. In 2014 harmful emissions fell to 74.7 t/sq. km, while the national average was 314.5 t/sq. km.

The generated household waste in the district went on exceeding the national average quantities, increasing in 2014 for the second successive year, growing much faster than the national average figure. That year 583 kg waste was generated per person annually in the district of Burgas, compared to 442 kg in the country.

Culture ●●

The district reported a serious interest in cinemas and theatres, while lagging behind in numbers of visits to museums and libraries.

In 2015 visits to cinemas in the district fell to 873 per 1,000 people vs. 744 nationwide. Visits to theatres also declined to 333 per 1,000 people, while they were 302 per 1,000 people nationwide. Contrary to the national tendency, visits to museums fell for the second year in a row to reach 405 per 1,000 people vs. 664 nationally. The greatest variance from the national average was marked in terms of library visits. 130 per thousand inhabitants were reported in Burgas in 2015 vs. the national average of 583; thus visits to libraries in Burgas have been falling in recent years, while rising in the country as a whole.

Key Indicators for the District of Burgas

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	8,725	9,539	9,591	9,806	8,687	n.a.
Average annual income per household member (BGN)	3,279	3,374	3,702	4,234	4,182	4,275
Average annual gross salary (BGN)	7,092	7,359	7,788	8,212	8,834	n.a.
Relative share of people living below the national poverty line (%)	18.3	15.6	19.4	21.4	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	63.6	63.3	64.8	67.5	67.8	69.4
Annual average employment rate of the population aged 15 to 64 (%)	57.5	55.3	57.3	58.9	60.3	62.2
Annual average unemployment rate of the population aged 15 to 64 (%)	9.6	12.6	11.5	12.7	11.0	10.3
Relative share of the population aged 25 to 64 with tertiary education (%)	15.6	17.3	18.6	20.2	18.8	19.3
Number of non-financial enterprises per 1,000 people	63	62	65	67	69	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	2,039	2,379	3,168	4,553	4,471	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	3,847	4,361	4,885	5,885	2,264	n.a.
Relative share of households with internet access (%)	40.6	47.3	53.5	44.8	51.6	63.2
Share of roads in good condition (%)	21.8	22.1	29.0	27.1	35.0	39.5
Share of territory included in cadastral maps (%)	16.2	16.2	16.3	16.3	16.3	20.7

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-2.5	-3.0	-3.3	-3.0	-3.2	-3.4
Net migration rate (‰)	0.0	0.7	-0.2	3.7	2.5	2.7
Average grades at state matriculation exams	4.2	4.4	4.1	4.2	4.3	4.2
Percent of failed students at state matriculation exams ("average" 3.00)	5.8	3.9	6.6	7.0	6.1	7.1
Net enrolment rate of the population in 5th–8th grade (%)	81.0	81.1	81.4	80.1	78.5	79.0
Health insured persons as share of the population (%)	85.6	85.6	84.6	83.2	83.8	85.2
Cases of hospitalization in general hospitals per 1,000 people	98	93	141	166	102	167
Registered crimes against the person and property per 1,000 people	23.1	20.6	20.0	20.0	19.2	20.2
Clearance rates for crimes against the person and property registered during the year (%)	34.6	31.8	30.2	26.9	28.1	33.5
Share of pending criminal cases (%)	5.4	9.3	8.4	7.3	8.9	6.5
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	58.7	60.6	60.7	61.2	61.4	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	54.8	75.3	86.9	90.2	74.7	n.a.
Number of visits to cinemas per 1,000 people	63	101	552	845	927	873
Number of visits to theatres per 1,000 people	172	289	282	317	361	333