

Lovech District

▶ Population (2015)	132,503
▶ Area (sq. km)	4,128.8
▶ Number of settlements	149
▶ Share of urban population (%)	62.5



Overview

In 2015, there came the end of the lasting labor market crisis in the district of Lovech as employment started going up. Nevertheless, incomes have stayed low: this is why the district has the highest share of people living in material deprivation. Investment levels have been relatively low but EU fund utilization by the district's municipalities was the third highest in the country – after the districts of Gabrovo and Burgas. Infrastructural development has been close to national average levels, whereas the tax burden is disproportionately high for a district with this kind of economic development profile. Lovech ranks second after the capital in cadastral map coverage of the territory. The population's age structure is among the least favora-

ble in the country. The educational system has been successful in enrolling a great part of the eligible for education, and the achievement of local high school graduates at the state matriculation exams has been close to the country average. Healthcare suffers both from insufficient specialist doctors and from the continuing decrease in the number of hospital beds. Crime rates are relatively low, so the workload of the judicial system is below the average for Bulgaria. Connectivity to public sewerage systems and WWPTs has been low but the volume of harmful emissions is three times lower than the national average. Cultural life is not particularly active: only libraries have registered a high rate of visits.

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 ●

In 2013 and 2014, after 8 years of slow growth – much slower than the national average rate – salaries in the district of Lovech registered a rise faster than the average. In 2014, the annual gross salary reached 7,487 BGN vs. the national average level of 9,860 BGN. As a result of the higher salaries and rising employment, the average annual income per household member rose to 3,788 BGN in 2014, and in 2015 it even went over 4,000 BGN for the first time ever, though remaining far below the national average of 4,953 BGN.

Lovech is the district with the highest share of persons living in material deprivation: 55% vs. 33.1% nationwide. The share of people below the national poverty line grew to 36.8%. Higher levels of relative poverty have been registered only in the districts of Vidin, Kardzhali, Montana, and Pazardzhik.

Labor Market ●●

In 2015, the seven-year long labor market crisis came to an end in the district of Lovech. The population's economic activity rate rose to 60.2%, and the employment rate reached 54.6% (vs. 51.0% in the previous year). Despite the improvement, both indicators remained lower than the national average levels (69.9% for employment and 62.9% for economic activity, respectively). Only the unemployment rate, which fell to 9.2%, its lowest level since 2010, stayed close to the national level.

The workforce's educational profile has limited the capacity of the labor market for serious expansion and income growth. The share of people with higher education is 20.5% (vs. the national average of 27.5%) and that of people with primary or lower education is 20.5% (vs. 18.1% nationally).

Investment ●●●

After a period of considerable growth between 2008 and 2011, the cumulative FDI stabilized around 134 m euro. FDI – relative to the population number – grew from 946 euro per capita at the end of 2011 to 1,011 euro per capita at the end of 2014, but this rate was also due to the dwindling population. In 2013 and 2014, there was a certain rise in companies' expenditure on the acquisition of FTA. Relative to the local population, the expenditure reached 1,388 BGN per capita in 2014 in contrast to 1,665 BGN per capita during the peak in 2007. Despite these favorable trends, the levels of investment activity in the district of Lovech remained about three times (for FDI) and two times (for FTA) lower than the country averages, respectively.

Yet, the district of Lovech was among the leaders in the country in terms of EU fund utilization by municipal beneficiaries of operational programs. Relative to the population, by the end of May 2016, there were 1,180 BGN per capita

utilized vs. 689 BGN per capita nationally; the highest sums were paid in the municipality of Lukovit, whereas the lowest – in the municipality of Apriltsi. In comparison with other districts, only Burgas and Gabrovo have achieved higher utilization rates.

Infrastructure ●●●

The road network density in the district of Lovech is a little higher than the national average of 18 km per 100 sq. km, while the road surface quality is relatively good. In 2015, the share of roads in good condition fell from 47.8 to 43.7% but stayed above the national level of 40.7%. Motorways and first class roads constituted 15.1% of the total length of the road network in the district vs. the national rate of 18.1%. The railway network density is 2.6 km per 100 sq. km, which is considerably lower than the national average of 3.6 km per 100 sq. km.

Access and usage of the internet have retained relatively low levels in the district. In 2015, 50.8% of households had internet access (vs. 59.1% nationally), and the share of persons to have used the internet in the past year was among the lowest in the country: 46.5% vs. the national average rate of 60.3%.

% Taxes and Fees ●●

Immovable property tax for legal entities and waste disposal fees are relatively high, while the rest of the local taxes and fees are below the national average figures. Changes in those taxes are relatively frequent. 2016 makes an exception in this respect as the only change in the immovable property tax was that in the municipality of Teteven (from 1.5 to 2.5‰). In recent years the number of increasing local taxes and fees has been highest in the municipality of Lukovit, whereas the decreasing ones have been most frequent in the municipality of Troyan.

Administration ●●●●●

The district of Lovech ranks second after the capital in cadastral map coverage. In 2015, 80.4% of its territory was covered while the national average percentage was 19.8%. The single municipality with no coverage at all is Yablanitsa, while in Lovech, Apriltsi, Letnitsa, Troyan, and Ugarchin it is 100%.

The self-rating of municipal administrations shows that the development of electronic services is lagging behind the general trends. One-stop shop services are getting more widespread and they have been completely introduced in the municipality of Troyan. The AIP Foundation rated the transparency in the work of local administrations at 59.3% vs. the national average rate of 54.3% in 2016.

SOCIAL DEVELOPMENT ●●

Demography ●●

Population age structure in the district of Lovech has been among the least favorable in the country. If the current trend continues, Lovech will join the group of districts where the number of people aged 65+ is twice the number of people aged 0 to 14. In districts like Vidin, Gabrovo, Kyustendil (since 2011), and Pernik (since 2014) this ratio is more than 2 to 1 already.

The ageing of the population affects negatively the natural growth rates; the district's rate is the seventh worst in Bulgaria. Besides, each year there are more people migrating out of the district than people migrating into it. In 2015, 62.5% of the population lived in towns while the national average figure was 73.1%.

Education ●●●

Since 2011, the net enrolment rate of the population in 5th–8th grade has been higher in the district than the national average, while the share of high school repeaters has been lower. The relative share of dropouts remains higher than the national average but tendencies are rather positive. Between 2012 and 2014, the share of dropouts in the educational system of the country rose from 2.3 to 2.8%, but in the district of Lovech it declined – from 3.5 to 3.2%, respectively.

As usual, high school graduates in the district have achieved results close to the national average figures at the matriculation exam in Bulgarian language and literature. On the other hand, 2015 was the first year since 2010 in which the share of failures at that exam was higher than the national average.

The district of Lovech does not have strong traditions in the field of higher education; still, in 2015, there were 247 college students in the district, the highest number since 2011.

Healthcare ●●

In 2015, the number of beds in general hospitals decreased for the sixth successive year. Since 2012 the ratio between that number and the number of people in the district has been less favorable than the national average. The number of general practitioners in the district is sufficient but there is also a certain shortage of medical specialists.

In the last five years the infant mortality rate in the district was higher than the national average. In 2015, it reached 12.5‰, which is twice bigger than the national average levels – a higher value was registered only in

Sliven (12.8‰). The rate of health-insured people in 2015 was 91.1% of the local population vs. the national average of 88.5%.

Security and Justice ●●●●

Lovech has traditionally been one of the districts with the highest share of criminal cases in the district court, usually closed within 3 months. In 2015, this was true of 95.0% of the cases while the national average rate was 88.1%. The share of pending criminal cases is also low: 6.5% vs. the national average of 9.4%. These results are partially due to the low crime rates, hence, the low workloads of the judges in the district. There are 6.7 cases per judge per month, whereas the national level is 8.3 cases per month.

Relative to the population, there were 10.1 registered crimes per 1,000 people in 2015, while the national average rate was 13.6 crimes per 1,000 people. The clearance crime rate dropped to 45.4%, but still remains above the national rate of 39.2%.

Environment ●●●●

In 2014, the share of people with access to public sewerage systems reached 64.1% vs. the national average of 74.5%. The connectivity to WWTPs was 41.2% but was expected to rise in 2015 statistics due to the opening of the third level of the WWTP in the city of Lovech in mid-2015.

The level of carbon dioxide emissions into the atmosphere amounts to 93.8 t/sq. km or about three times lower than the national level.

Culture ●

The district's cultural life is characterized by a relatively low intensity. Relative to the population, the average annual number of visits to theaters was about 2.5 times lower than the country average of 302 visits per 1,000 people. In 2015, the number of visits to libraries was about 1.5 times fewer than the national average of 583 visits per 1,000 people.

Only museums have enjoyed a higher interest. Visits to museums rose for the third successive year to reach 955 people per 1,000 people, while the country average rate was 664 visits per 1,000 people. Lovech was one of the five districts in the country where there was still no working cinema in 2015.

Key Indicators for the District of Lovech

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	6,068	7,029	7,074	7,317	7,635	n.a.
Average annual income per household member (BGN)	3,037	2,825	2,963	3,134	3,788	4,084
Average annual gross salary (BGN)	5,936	6,184	6,509	6,940	7,487	n.a.
Relative share of people living below the national poverty line (%)	27.7	33.0	32.9	36.8	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	67.4	63.3	61.1	58.5	56.9	60.2
Annual average employment rate of the population aged 15 to 64 (%)	61.7	55.6	52.9	52.2	51.0	54.6
Annual average unemployment rate of the population aged 15 to 64 (%)	8.0	12.2	13.4	10.7	10.2	9.2
Relative share of the population aged 25 to 64 with tertiary education (%)	21.6	21.6	16.4	15.8	18.6	20.5
Number of non-financial enterprises per 1,000 people	39	39	39	40	41	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	901	1,094	1,076	1,136	1,388	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	816	946	959	1,002	1,011	n.a.
Relative share of households with internet access (%)	25.2	30.3	33.7	34.6	45.8	50.8
Share of roads in good condition (%)	36.1	40.1	43.0	44.8	47.8	43.7
Share of territory included in cadastral maps (%)	74.0	74.0	74.0	74.0	74.0	80.4

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-9.4	-9.7	-10.2	-10.2	-11.2	-11.0
Net migration rate (‰)	-12.2	-4.1	-3.5	-5.3	-4.2	-4.2
Average grades at state matriculation exams	4.3	4.5	4.3	4.5	4.4	4.3
Percent of failed students at state matriculation exams ("average" 3.00)	5.3	2.9	3.6	2.5	3.0	6.2
Net enrolment rate of the population in 5th–8th grade (%)	78.9	82.0	81.3	80.7	80.0	81.2
Health insured persons as share of the population (%)	86.2	89.5	88.9	88.5	89.7	91.1
Cases of hospitalization in general hospitals per 1,000 people	199	205	210	220	213	209
Registered crimes against the person and property per 1,000 people	14.5	13.2	10.9	10.1	9.4	10.1
Clearance rates for crimes against the person and property registered during the year (%)	46.0	52.2	51.6	51.8	49.2	45.4
Share of pending criminal cases (%)	4.1	4.4	4.4	6.1	7.6	6.5
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	40.2	40.9	41.1	41.1	41.2	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	124.6	125.2	115.5	93.8	93.8	n.a.
Number of visits to cinemas per 1,000 people	0	0	0	0	0	0
Number of visits to theatres per 1,000 people	92	141	148	186	124	119