

# Stara Zagora District

▶ Population (2015)	324,824
▶ Area (sq. km)	5,151.1
▶ Number of settlements	207
▶ Share of urban population (%)	71.7

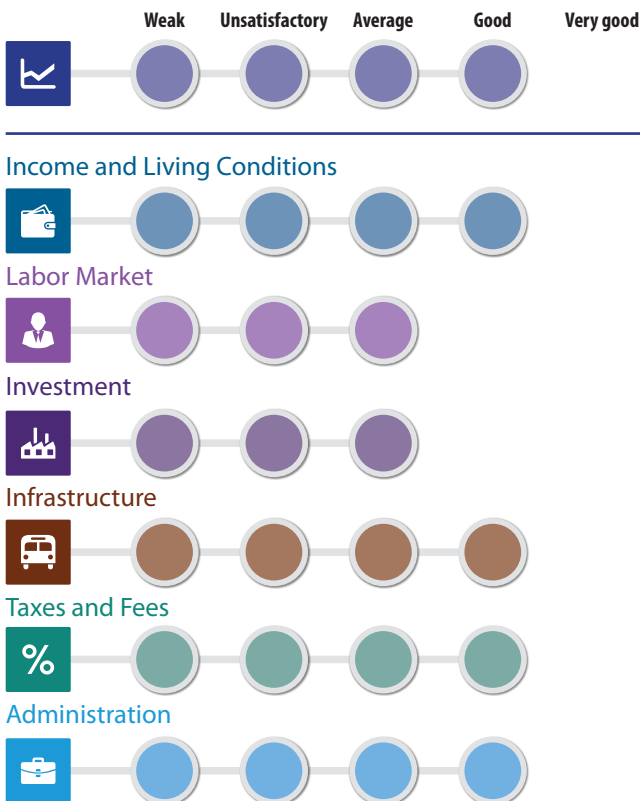


## Overview

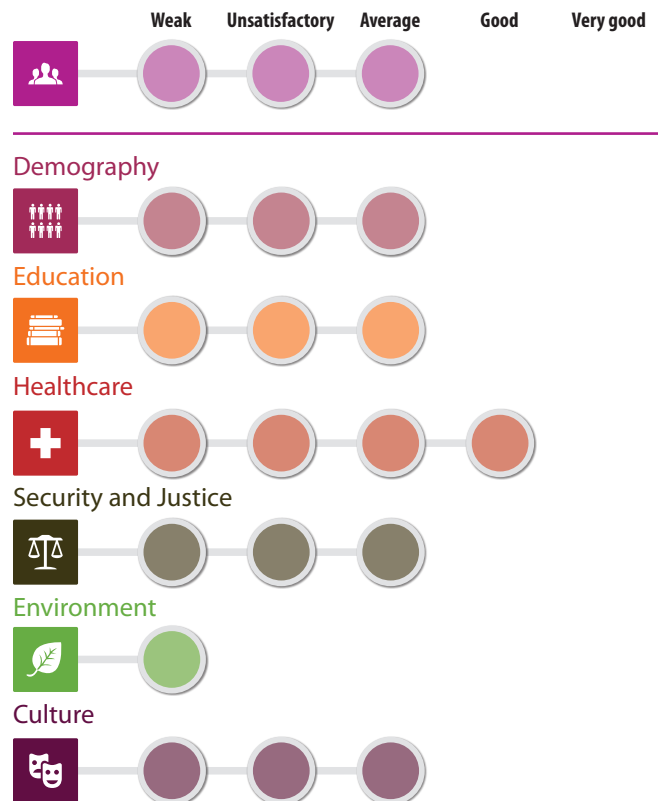
Stara Zagora is the district with the highest GDP per capita and the highest annual average gross salary in Bulgaria after the capital. Employment levels have been going up at a relatively slow pace, therefore 2015 was the first of fifteen years when unemployment rates were above the national average level. The probable cause for the difficult recovery of employment rates is the relatively unfavorable educational structure of the workforce. The district has been the fourth most attractive one for foreign investment, while EU fund utilization has been following the general trends for the country. Infrastructure and administrative services are well developed, and the level of most local taxes and fees has been favorable.

Demographically, the district of Stara Zagora does not differ from the general picture in Bulgaria. The educational system is well developed but the district's average grade at matriculation exams in Bulgarian language and literature has gradually declined as has the national average level. The number of beds in general hospitals shrank in 2015, though the district had a relatively high number of general practitioners and medical specialists. Although judges' workloads have been on the increase, the number of pending criminal cases has been relatively small. The environment is rated "poor" because of the serious air pollution, while the development of cultural life has followed general trends in the country.

### ECONOMIC DEVELOPMENT



### SOCIAL DEVELOPMENT



## ECONOMIC DEVELOPMENT

### Income and Living Conditions

Stara Zagora is the district with the highest GDP per capita and the second highest annual average gross salary after the capital. The district's economy has a pronounced industrial profile and a great number of people work in energy production. Since 2009, the average annual income per household member has been above the national average level, reaching 5,090 BGN in 2015. Income structure is characterized by a share of salaries lower than the national average level and a share of incomes from pensions higher than the national level. The latter fact is a consequence not so much of the district's demographic picture as of the high pensions and the employment rate, which is below the national average. Against this background, the share of people living in material deprivation (39.5%) remains relatively higher than the national average rate of 33.1%. The relative share of the poor is declining and is now close to national average levels.

### Labor Market

The recovery of the labor market in the district of Stara Zagora has been slower than that in most districts. In 2015, the population's economic activity rose at a faster rate than the national average, but the overall level remained below the national average of 39.3% by 2.4 pp. After a period of decline or stagnation, the employment rate rose to 60.3% in 2015, albeit staying below the national level of 62.9%. The increased number of employed people entailed a drop in unemployment to 9.7%, but because jobs were created at a faster rate in other regions, the indicator of Stara Zagora was higher than the national average of 9.1% for the first time in 15 years.

The educational profile of the workforce is characterized by a relatively small number of people with higher education (22.6% in Stara Zagora vs. 27.5% nationally in 2015) and a share of people with primary or lower education (17.6%) close to the national average of 18.1%. This is probably one of the reasons for the more difficult recovery of the district's labor market.

### Investment

As of the end of 2014, FDI in the district reached the record of 970 m euro or 2,984 euro per capita. That made Stara Zagora the fourth most attractive district for FDI after the capital and the districts of Sofia and Varna. FTA investment, however, remained far from its pre-crisis levels, though in 2014 it came close to the national average of 2,786 BGN per capita.

The district's municipalities achieved a rate of utilization of EU funds from operational programs close to the national average levels. As of 31 May 2016, they had utilized a total of 219 m BGN, or 675 BGN per capita (vs. 689 BGN on av-

erage in Bulgaria). The highest rates were achieved by the municipalities of Radnevo (1,301 BGN per capita) and Stara Zagora (936 BGN per capita), and the lowest ones – by Pavel Banya (21 BGN per capita), Galabovo (66 BGN per capita), and Maglizh (68 BGN per capita).

### Infrastructure

The launching of the "Trakia" motorway had a strong positive effect on the district's infrastructural profile. In 2014, 27.0% of the road network on the territory of the district consisted of motorways and first class roads (vs. 18.1% nationally). More than half the roads were in good condition in 2015: 55.7% vs. the national average rate of 40.7%. The density of the railway network (5.1 km per 100 sq. km) is above the national average of 3.6 km per 100 sq. km.

In 2015, rates close to the national average levels were registered both for the share of households with internet access and for internet usage by the district's inhabitants.

### Taxes and Fees

The level of local taxes and fees is more or less favorable. The ones below the national average level include the immovable property tax, the household waste collection fee for immovable property of legal entities, and the property transfer tax. The vehicle tax and the annual license tax for retailers have average rates above national levels. The only municipality to change its rate for any of the monitored taxes in 2016 was that in Opan. In comparison with the previous year, the waste collection fee for legal entities was raised from 3.5 to 4‰, while the annual immovable property tax was raised from 1.5 to 1.75‰.

### Administration

The development of electronic services and the readiness for offering one-stop shop services for businesses and individuals are above national average levels. While the district center achieved the third highest rating in the Local Integrity System Index of Transparency International, the transparency of local government in the district was relatively lower. The AIP average rating for transparency in the municipalities in 2016 was 45.9% vs. the national average of 54.2%.

Cadastral map coverage was also lagging behind. In 2015, it reached 15.7% while the national level was 19.8%. Two of the district's municipalities had complete cadastral maps (Gurkovo and Nikolaevo), while three others had no coverage at all (Chirpan, Opan, and Bratya Daskalovi).

## SOCIAL DEVELOPMENT ●●●●

### Demography ●●●●

The district's demographic development has followed to a considerable extent the general tendencies in the country. Age dependence ratios are almost analogous to national average figures: for every 100 people up to 14 years of age there are 148.7 people over 65 (vs. 146.4 nationally). In 2015, the natural growth rate was negative (-6.9‰) but close to the national average (-6.2‰). Between 2012 and 2014 the net migration rate in the district was positive – more people moved to it than from it. In 2015, it was negative (-0.2‰). In 2015, 71.7% of the district's population lived in towns, a rate close to the national average of 73.1%

### Education ●●●●

The coverage of the educational system has been relatively good, though grades have been going down. After 2010 the population's net enrolment rate in 5th–8th grade has been above-average, reaching 80.4% in 2015. The share of dropouts from primary and secondary school was gradually stabilized around 2.5% or close to national average levels. Between 2008 and 2016 the share of failing grades at the matriculation exam in Bulgarian language and literature was below the national average rate. Still, the variance has been diminishing in the last few years, thus influencing the average grade. After 2013 the latter was slightly below the national average grade.

The district can hardly be described as an outstanding academic center. In 2015, there were 5,316 students at the only higher education institution in the district.

### Healthcare ●●●●

Ratios between the number of doctors and the population have been on the favorable side in the district of Stara Zagora. Though up to 2014 the ratio between beds in general hospitals and the local population was above national levels, the number of hospitalizations was relatively low. It could be assumed that morbidity was lower in the district compared with other districts in the country. In 2015, 90.1% of the population had health insurance (vs. 88.5% on average in Bulgaria).

The declining number of hospital beds in 2015 and the relatively high infant mortality rate between 2013 and 2015 can be listed among the negative processes going on during the last few years.

### Security and Justice ●●●●

Despite the relatively high workloads of criminal judges at the district court (9.8 cases/month in 2015 vs. 8.3 cases/month nationally), the work of the district's justice system has been more or less speedy. In 2015, about 90.0% of criminal cases at the district court were closed within 3 months, while the share of pending cases was 5.8%. Both figures were more favorable than the national average levels of 88.0 and 9.4%, respectively. Except for the period 2010–2011, the crime rates in the district have been below national average levels. Clearance crime rates were also near-average, except for the period between 2013 and 2015 when they were slightly higher. In 2015, 41.7% of crimes were solved (vs. 39.2% on average for the country).

### Environment ●●●●

The major reason behind the district's poor rating in this area has been the strongly polluted air as a consequence of the emphatically industrial profile of the local economy, in particular, the energy sector and heavy industry. In 2014, the levels of carbon dioxide emissions reached 3,678.3 t/sq. km, which, though far from the peak of 4,873.2 t/sq. km registered in 2011, remained more than 10 times above the national average level.

In 2014, 71.5% of the population of Stara Zagora district lived in areas with public sewerage systems, 61.3% of which were connected to WWTPs. While access to sewerage was slightly below the average 74.9% in Bulgaria, WWTP connectivity was among the relatively highest in the country.

### Culture ●●●●

Local theaters and museums boast more visits in Stara Zagora than those in most other districts. Relative to the population, in 2015 there were registered 366 theatre visits per 1,000 people and 894 museum visits per 1,000 people (vs. 302 per 1,000 people and 664 per 1,000 people nationally). While a positive tendency can be seen in theater visits, 2015 was the second year in which museum visits declined. Cinema visits are also lower than the country average but this was the consequence of the exceptionally big numbers registered in the five districts that ranked before Stara Zagora in this indicator: Burgas, Varna, Plovdiv, Ruse, and Sofia (capital city). After 2014 the number of library visits has been lower than the country average, but this is due not so much to a declining interest in local libraries but rather to the faster rates in other districts.

## Key Indicators for the District of Stara Zagora

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	9,514	10,640	11,839	12,375	14,348	n.a.
Average annual income per household member (BGN)	3,886	4,184	4,382	5,037	4,957	5,090
Average annual gross salary (BGN)	8,080	8,512	9,117	9,414	10,035	n.a.
Relative share of people living below the national poverty line (%)	24.8	26.3	28.8	22.4	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	68.4	66.6	67.6	64.9	65.2	66.9
Annual average employment rate of the population aged 15 to 64 (%)	64.1	62.4	62.8	58.0	58.0	60.3
Annual average unemployment rate of the population aged 15 to 64 (%)	6.7	6.3	7.1	10.6	11.0	9.7
Relative share of the population aged 25 to 64 with tertiary education (%)	19.3	21.5	20.5	19.5	21.8	22.6
Number of non-financial enterprises per 1,000 people	43	43	44	44	44	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	2,522	1,936	2,946	2,062	2,760	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	1,643	1,691	2,024	2,437	2,984	n.a.
Relative share of households with internet access (%)	31.7	40.4	53.4	52.3	53.7	61.4
Share of roads in good condition (%)	60.4	59.3	59.0	53.4	53.7	55.7
Share of territory included in cadastral maps (%)	15.0	15.0	15.0	15.0	15.0	15.7

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-5.2	-5.5	-5.8	-5.8	-7.0	-6.9
Net migration rate (‰)	-4.9	-1.6	1.9	0.5	0.5	-0.2
Average grades at state matriculation exams	4.4	4.6	4.2	4.3	4.3	4.2
Percent of failed students at state matriculation exams ("average" 3.00)	2.9	3.2	3.9	4.0	3.8	5.8
Net enrolment rate of the population in 5th–8th grade (%)	79.0	82.4	83.1	82.0	80.8	80.4
Health insured persons as share of the population (%)	87.6	90.6	89.7	88.4	89.0	90.1
Cases of hospitalization in general hospitals per 1,000 people	154	156	170	205	146	218
Registered crimes against the person and property per 1,000 people	16.6	17.5	15.2	14.1	12.4	12.6
Clearance rates for crimes against the person and property registered during the year (%)	39.4	36.4	38.4	39.9	40.3	41.7
Share of pending criminal cases (%)	8.1	8.9	8.3	9.5	6.4	5.8
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	18.7	60.9	61.0	61.2	61.3	n.a.
Carbon dioxide emissions into the atmosphere (t/km <sup>2</sup> )	3,524.0	4,873.2	4,252.6	3,405.1	3,678.3	n.a.
Number of visits to cinemas per 1,000 people	516	653	588	590	642	665
Number of visits to theatres per 1,000 people	197	325	319	349	359	366