

Veliko Tarnovo District

▶ Population (2015)	246,394
▶ Area (sq. km)	4,661.6
▶ Number of settlements	337
▶ Share of urban population (%)	69.9



Overview

Incomes in Veliko Tarnovo continue to lag behind national average levels. The district's labour market, however, has been quite buoyant in the last two years. What is more, in 2015 it was precisely Veliko Tarnovo that showed the most noticeable rise in employment in the country in comparison with the pre-crisis levels of 2008. Investment, though far beneath average levels, showed an upward tendency in recent years. In 2015, the district surpassed the national average results in electronic government and development of one-stop shop services.

Social development in the district of Veliko Tarnovo is estimated as relatively good. On one hand, demographic processes are still deteriorating and remain considerably less favorable than those in the country as a whole. Healthcare is characterized by a shortage of physicians. The district has achieved relatively high results in education, mostly because of the nationwide significance of the University of Veliko Tarnovo. The district is still a popular destination in cultural and historical tourism. Crime in the district is below the national average, and crime clearance rates are above it.

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 its economic development, the district of Veliko Tarnovo is lagging behind the average indicators for the country. In 2014, GDP per capita in the district was lower by about 1/3 than the national average: 7,801 BGN vs. 11,600 BGN, respectively.

Incomes in the district are also lagging considerably. In 2010 and 2011 they were almost equal to the national average (96%), while in 2014, after a much slower growth for several successive years, they reached 84% of the national average figure, or an average annual income per household member of 4,180 BGN in the district vs. 5,000 BGN in the country. In 2015, salaries in the district went on rising by 5.5% compared to 2014.

Low incomes continue to place Veliko Tarnovo among the districts with a relatively high percentage of people (30.2%) living below the national poverty line. The share of the population living in material deprivation is also higher than the national average.

Labor Market ●●●●

Veliko Tarnovo is one of the eight districts, where employment in 2015 was higher than the 2008 pre-crisis figures. What is more, the greatest increase in the employment rate of the population aged 15 to 64 occurred precisely in Veliko Tarnovo (additionally enhanced by unfavorable demographic processes). The upsurge on the labor market in the district was also related to the rising economic activity and falling unemployment rates in recent years. In only two years, between 2013 and 2015, unemployment rates shrank more than twice: from 16.2 to 6.8%. The workforce's educational structure is also relatively good. Due to the high percentage of people with higher education, Veliko Tarnovo holds the fourth place among all 28 districts; the share of people with primary or lower education is lower than the national average figure.

Population development and demographic processes in the district remain the chief challenge for the labor market. The ratio of demographic replacement as a ratio of the population aged 15 to 19 to that aged 60 to 64 is the sixth lowest in the country: respectively, 56.8% in the district vs. 63.5% for Bulgaria. That means that for each 100 people who will leave the labor market in the next several years there will be 57 young people joining it.

Investment ●●

The district of Veliko Tarnovo is lagging considerably behind the national average figures in terms of foreign and local investment indicators. The most significant variance is in foreign investment despite its stable rise since 2011. By the end of 2014 cumulative foreign investment in non-

financial enterprises amounted to 439 euro per capita, or nearly 7 times less than the national average value.

At the same time, EU funds utilized by municipalities in the district as beneficiaries of operational programs were above the national average figures: as of May 31st 2016 they were 746 BGN per capita in Veliko Tarnovo, while the average figure was 689 BGN per capita in Bulgaria. The municipalities of Pavlikeni, Svishtov, and Veliko Tarnovo utilized about 1,000 BGN per capita – the highest figure in the district, while Polski Trumbesh and Suhindol reported the lowest utilization figures, under 100 BGN per capita.

Infrastructure ●●●

The density of the road and railway networks in the district is higher than the average density in Bulgaria but the share of first class roads and motorways remains lower. The share of good quality road surfaces remains exceptionally low as well: it even registered a slight decrease in 2015 compared to 2014. In 2015, less than 27% of roads in Veliko Tarnovo were in good condition while their national average share was 41%.

In 2015 internet access and the share of people who use it rose, slightly exceeded the national average figures.

Taxes and Fees ●

The real estate, vehicle, and property transfer taxes are higher in the district of Veliko Tarnovo than their national average rates. In comparison with 2012, not a single tax rate was lower in 2016 though national average rates went down. The immovable property tax rate, 2.22 % on the average in Veliko Tarnovo district, registered the biggest variance with the national average of 1.86%. The highest rates of this type of tax in the district are those in Veliko Tarnovo and Pavlikeni – 2.50%.

Administration ●●●●

Data on the development of electronic government and one-stop shop services in the district showed some improvement in 2015 compared to 2014. It was in 2015 that the district achieved better results than the national average, which registered a slight decline in comparison with 2014.

The district's municipalities revealed slightly better results than the national average values in the Local Integrity System Index, yet Veliko Tarnovo's rating by AIP Foundation's Active Transparency Rating of local administrations in 2016 continued to go down for a second successive year, staying below the national average figure.

SOCIAL DEVELOPMENT

Demography

The demographic picture in the district remains considerably less favorable than it is in the country as a whole. The ratio between people over 65 and those of working age (15 to 64), as well as that between adults and children aged 0 to 14 has been increasing at a faster rate than the average for the country during the last 10 years.

These trends are due both to the low rate of natural increase and the negative net migration of the population. Between 2002 and 2008 – before the crisis set in – Veliko Tarnovo was one of the few districts with a positive, though relatively low, net migration rate, but economic processes in the district led to a sizeable and lasting emigration.

Education

Though the number of college and university students in Veliko Tarnovo fell by over 10% in 2015, the district still has the highest number of students – 97 per 1,000 inhabitants (vs. the national average of 36 per 1,000 people). That fact contributes to the relatively high share of people with higher education among the population of working age, which in turn, is a favorable factor in the post-crisis recovery of the labor market.

In the area of secondary education, the values for the monitored indicators in the district are comparable with those in the country. High school graduates in the district were given an average grade of 4.10 (vs. the national average of 4.17) at the matriculation exam in Bulgarian language and literature, whereas those with failing grades were 8.56% (vs. the national average figure of 8.73%). The share of primary and secondary school dropouts in the district is still above the national average: 3.25% vs. 2.8%, respectively, in 2014.

Healthcare

Healthcare in the district is still suffering from a shortage of doctors, both general practitioners and specialists. The variances are particularly significant in terms of doctors in specialties on the highest demand: 785 people per specialist with the national average being 544.

For two successive years, Veliko Tarnovo was the district with the lowest number of health-insured people: 84.5% in the district vs. 88.5% in the country in 2015. Veliko Tarnovo is also among the districts with the lowest number of hospital beds in general hospitals. The low capacity and the shortage of doctors are probably the reasons behind the relatively low number of hospitalizations. The latter seems determined not so much by lower morbidity but by the fact that patients may be looking for health

services outside the region. Another sign of deteriorating healthcare is the rapid rise in infant mortality: from 4.1‰ in 2014 to 9.8‰ in 2015.

Security and Justice

The district performed relatively well with regard to indicators for both security and justice in 2015. The workload of judges was relatively low (6.6 cases a month per judge vs. 8.3 cases as national average), while the share of criminal cases closed within 3 months (94%) is higher than the national average (88%).

The number of registered crimes against the person and property has traditionally been lower in Veliko Tarnovo – 11.4 per 1,000 people vs. the national average of 13.6 per 1,000 in 2015. Their clearance rate is also higher (57.5%) compared to the national average rate of 39.2%.

Environment

The share of people with access to public sewerage systems (66.8%), as well as the share of those with access to sewerage systems connected to WWTPs (44.8%), is still lower than the national averages of 74.9 and 56.8%, respectively. A possible explanation is the great number of scattered small villages in the district. The level of carbon dioxide emissions in the district stay considerably lower than the average pollution rates in the country: 131.1 t of harmful emissions per sq. km compared to 315 t/sq. km in the country.

Culture

In cultural terms, the district is rated 'good' because of the high number of visits to libraries and museums. The latter were visited by almost 500,000 people in 2015, the second highest number of visits after the capital. Relative to the population, this means 1,988 visits per 1,000 people – nearly three times the national average rate.

In terms of library visits, the district again ranked second after the capital with the total number of 450,000 visits, but it ranked first relative to the population. One of the possible reasons is the large number of college and university students in the district.

In terms of theatre and cinema visits, however, the district lagged behind the national average figures for 2015. There were 444 visits to cinemas per 1,000 people in Veliko Tarnovo vs. 744 in Bulgaria, while theatre visits were 71 per 1,000 people, and 302 per 1,000 people, respectively.

Key Indicators for the District of Veliko Tarnovo

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	6,512	7,059	7,335	7,758	7,801	n.a.
Average annual income per household member (BGN)	3,502	3,648	4,043	4,385	4,288	4,180
Average annual gross salary (BGN)	6,119	6,488	6,742	7,262	7,662	n.a.
Relative share of people living below the national poverty line (%)	36.8	24.5	18.5	30.2	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	59.7	61.6	63.9	65.5	68.1	69.8
Annual average employment rate of the population aged 15 to 64 (%)	51.8	54.3	55.0	54.8	60.0	65.0
Annual average unemployment rate of the population aged 15 to 64 (%)	13.1	11.7	13.8	16.2	11.7	6.8
Relative share of the population aged 25 to 64 with tertiary education (%)	23.0	21.5	23.5	26.6	27.3	26.9
Number of non-financial enterprises per 1,000 people	40	39	40	40	41	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	980	1,516	1,482	1,576	1,541	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	246	284	331	359	439	n.a.
Relative share of households with internet access (%)	29.6	45.0	41.0	46.6	55.0	60.7
Share of roads in good condition (%)	55.7	30.2	23.6	25.7	27.7	26.7
Share of territory included in cadastral maps (%)	6.0	6.0	6.0	6.0	6.7	10.4

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-7.9	-7.9	-7.9	-6.9	-8.2	-8.2
Net migration rate (‰)	-6.8	-2.0	-3.0	-2.7	-5.2	-3.1
Average grades at state matriculation exams	4.2	4.4	4.2	4.3	4.2	4.2
Percent of failed students at state matriculation exams ("average" 3.00)	5.7	5.6	6.2	6.6	5.5	6.2
Net enrolment rate of the population in 5th–8th grade (%)	79.7	82.3	81.4	80.6	78.7	78.2
Health insured persons as share of the population (%)	80.9	84.2	83.3	82.2	83.1	84.5
Cases of hospitalization in general hospitals per 1,000 people	137	139	142	147	149	146
Registered crimes against the person and property per 1,000 people	13.6	14.2	13.2	11.8	10.7	11.4
Clearance rates for crimes against the person and property registered during the year (%)	49.4	58.4	62.5	61.6	60.1	57.5
Share of pending criminal cases (%)	7.7	8.4	8.6	7.4	8.0	9.5
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	41.2	43.9	44.2	44.5	44.8	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	186.6	157.2	119.2	148.6	131.1	n.a.
Number of visits to cinemas per 1,000 people	350	376	340	396	471	444
Number of visits to theatres per 1,000 people	55	67	102	123	122	71