

Lovech District

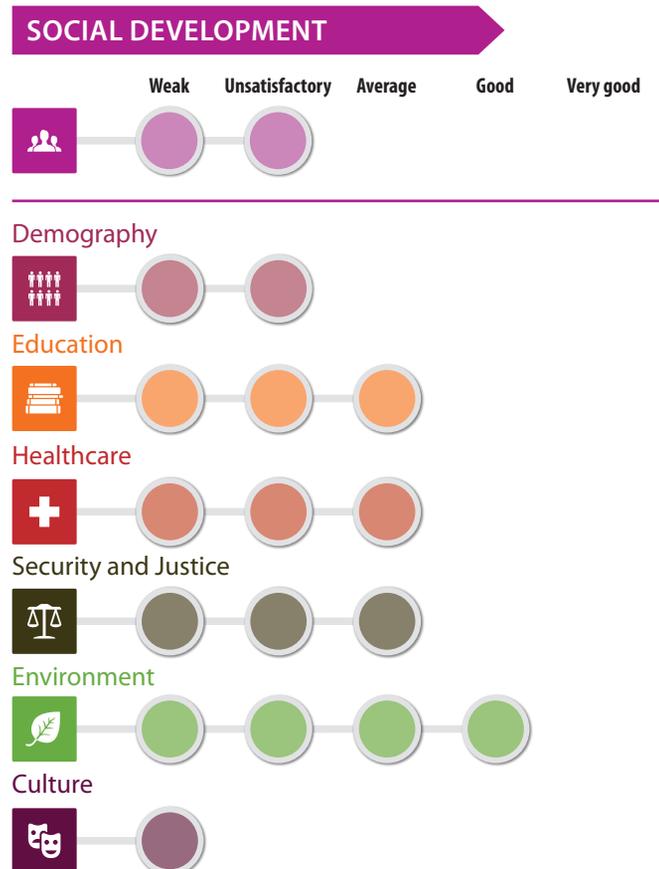
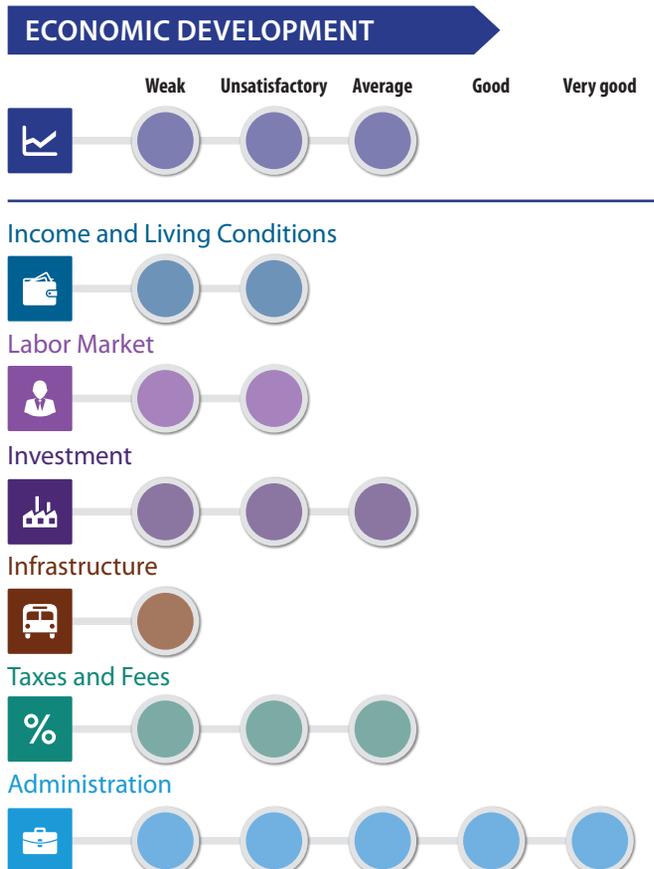
▶ Population (2016)	130,358
▶ Area (sq. km)	4,128.8
▶ Number of settlements	149
▶ Share of urban population (%)	62.6



Overview

Though wealth has generally been on the increase in the district of Lovech in recent years, it has been a relatively slow process and GDP per capita has remained considerably below national average rates. The labor market was facing difficulties once again in 2016, alongside a deteriorating educational structure of the population. FTA investment and utilized EU funds grew to reach levels similar to national average ones but the amount of attracted foreign investment was relatively low. The tax burden was exceptionally high for a district with such a profile of economic development but the work of local administrations received ex-

tremely high evaluation compared with the other districts. Lovech was among the districts with the least favorable age structure of the population. School enrolment rates were relatively high though the shares of dropouts from primary and secondary education were also large. The district was characterized by a shortage of specialist doctors. It has kept its past levels of low court workloads. Both the share of people with access to sewerage systems and connectivity to wastewater treatment plants have been considerably below national average figures. Cultural life is not very intensive.



ECONOMIC DEVELOPMENT ●●●

Income and Living Conditions ●●

The crisis had an unfavorable effect on the district's economy. Although in the post-crisis years GDP per capita started going up, in 2015 its growth slowed down to 1% (vs. a nominal 7% for the country as a whole) and that increased the distance between Lovech and national average values. Salaries and income also kept increasing but remained below national average levels. The annual average salary in the district in 2015 was slightly over 8,000 BGN while the national average salary reached over 10,500 BGN. The annual income per household member (4,123 BGN) in 2016 was lower than the national average (5,167 BGN) by almost 1,000 BGN.

All of this entailed relatively high proportions of local population living either in material deprivation or below the national poverty line. In 2015 drops were registered for both indicators.

Labor Market ●●

In 2016 economic activity dropped dramatically and Lovech was ranked last but one for economic activity (56.9% vs. 68.7% nationally) in the country (higher than Montana). This drop was accompanied by falling figures in both employment and unemployment. The employment rate reached 52.4% – considerably lower than the national average rate of 63.4%.

The downward trend in both economic activity and employment in the district may be connected with the dramatically deteriorating educational structure of the population aged 25–64. After three years of growth the share of university graduates in the district dropped to 17% (vs. 28% in the country). The share of people with primary or lower education on the other hand increased to 23% (vs. 18% on average nationally).

Investment ●●●

After the crisis economic activity increased in the district though the number of operating enterprises (42 per 1,000 people) remained considerably below the national average of 55 per 1,000 people. Parallel to their increased number investment in the district increased as well. The leap in 2015 (nominally over 60%) almost entirely compensated for the previous years of lagging in the district and FTA expenditures reached 2,316 BGN/person (vs. 2,973 BGN/person nationally). Foreign investment also increased though still lagging considerably behind the national average figure: as of the end of 2015 the cumulative FDI reached 1,131 euro/person (vs. 3,250 euro nationally).

Once again Lovech was among the districts which utilized considerable EU funds – as of 30th June 2017 sums paid

from operational programs to local beneficiaries reached 1,395 BGN/person (vs. 1,344 BGN nationally). Municipalities with the highest EU fund utilization included Lukovit and Troyan, while Ugarchin and Letnitsa utilized the least.

Infrastructure ●

The railroad network density in the district is 2.6 km/100 sq. km, considerably below the national average of 3.6 km/100 sq. km. Road density, on the other hand, is similar to the national average but the share of highways and first class roads remains relatively low: 15% vs. 19% in the country. Still, road surface quality in the district remains good: in 2016 roads with good surface quality were 45%, while they were 42% in the country.

In 2016 Lovech was one of the districts where the share of households with Internet access (51% vs. 64% in the country as a whole) was smallest. Once again, in 2016 it also had the lowest share of people who had used the Internet during the previous year (53% vs. 63% in the country).

Taxes and Fees ●●●

In 2017, once again taxes on the immovable property of legal entities and waste collection fees in the district's municipalities were relatively high, while the rest of the local taxes were below national average levels. The municipality of Yablanitsa was the only one to raise two of the monitored taxes in 2017, which did not significantly affect the general tax burden in the district.

The tax on taxi transport was also below national average rates. Despite the municipalities of Lovech and Troyan where its rate was highest (500 BGN annually), it was under 300 BGN in the remaining municipalities, thus staying below the national average rate of 525 BGN annually.

Administration ●●●●●

In 2017 the rating of the administration in providing one-stop shop services increased once again to rank the district first in the country. The evaluation for the development of electronic government also improved and was close to the national average. For yet another successive year the district showed relatively transparent local administrations. In 2017 the most transparent municipalities were Troyan and Teteven, while the least transparent administration was that of Apriltsi.

In 2016 once again the district of Lovech held the second place after the capital in largest share of territory covered by cadastral maps: 81% (vs. 23% nationally). The Lukovit municipality still had 0% coverage.

SOCIAL DEVELOPMENT ●●

Demography ●●

Lovech is one of the districts with the least favorable age structure of the population and that structure's deterioration has been happening at rates faster than the rest of the country. In 2016 Lovech joined the districts where the number of people aged 65+ was over twice that of people aged 0–14 with a ratio of 200.2% (vs. 147.1% nationally). Fast population ageing was facilitated by the negative rates of both the natural population growth (–12‰ vs. –6‰ nationally) and the net migration rate (–6‰). What is more, the values of both rates went down even further in 2016.

In 2016 the share of urban population (63%) remained considerably below the national average level of 73%. Lovech was also one of the districts with the lowest population density, the indicator dropping fast as the district was getting depopulated.

Education ●●●

The net enrolment rate in 5th–8th grade in the district of Lovech is relatively high and contrary to the nationwide tendency of recent years it rose to 82.5% in 2016 when the national average was 78.2%. At the same time, however, the share of dropouts from primary and secondary education in the district was also above average. The number of teachers (71 per 1,000 students) was also once again lower than the national average of 75 per 1,000 students.

The district's school leavers performed relatively well at the matriculation exams in BLL in 2017 with results close to average.

Healthcare ●●●

Lovech was one of the districts with a relatively high number of health-insured people, among other reasons because of the pronounced population ageing. In 2016 their share increased once again to reach 91.3% (vs. 88.1% nationally). The district is relatively well provided with GPs (1 for each 1,420 people vs. 1,611 people nationally) but suffers from shortage of specialists (one per 621 people vs. 1 per 530 people nationally).

After shrinking for several years, in 2016 the number of beds in general hospitals increased to reach 4.2 beds per 1,000 people, though it was still below the national average rate of 5.1 beds per 1,000 people. In 2015 and 2016 there was a drop in hospitalizations in the district of Lovech: thus in 2016 they dropped to 2015 per 1,000 people while the national average rose to 235 per 1,000 people.

Security and Justice ●●●

Lovech remained among the districts with relatively low judge workloads in 2016. A criminal judge in the district court saw an average of 6.9 cases a month while the national average number was 9.1 cases a month. That affected the speedy administration of justice as well. The share of criminal cases closed within 3 months in the district (93%) dropped, though it was still higher than the national average of 89%. The share of pending cases was below the national average.

In 2016 crimes against the person and property registered in the district increased and are now comparable with national average levels (12.5 per 1,000 people vs. 12.6 per 1,000 people nationally). At the same time, however, crime clearance rates in the district of Lovech rose fast to levels considerably above national average ones. In 2016, 59% of the crimes registered in the district were cleared (vs. 48% nationally).

Environment ●●●●

Due to poor urbanization the share of people in the district with access to sewerage was considerably below the national average. In 2015, after the launching of the third phase of the wastewater treatment plant in the city of Lovech, connectivity with wastewater treatment plants increased from 41.2 to 56.6%, though still remaining below the national average of 62.3%.

Lovech continued to be one of the districts with relatively clean air. In 2015 carbon dioxide emissions were over three times lower than the national average. Generated household waste per person was also relatively low.

Culture ●

Cultural life in the district is characterized by relatively low intensity.

After more than 15 years Lovech can boast a cinema again. Visits in 2016 were already over 20 000 or 150 per 1,000 people (vs. 778 per 1,000 people nationally). Theater visits were three times below the national average levels, and have continued falling. Interest in local museums was also on the decline but the rate of visits (805 per 1,000 people) remained above the national average of 734 per 1,000 people.

After a couple of years of declining interest in the district's libraries, in 2016 library visits increased once again to reach 401 per 1,000 people (vs. 605 nationally).

Key Indicators for the District of Lovech

Indicators of economic development	2011	2012	2013	2014	2015	2016
GDP per capita (BGN, current prices)	7,096	7,128	7,360	7,666	7,759	n.a.
Average annual income per household member (BGN)	2,825	2,963	3,134	3,788	4,084	4,123
Average annual gross salary (BGN)	6,184	6,509	6,940	7,487	8,033	n.a.
Relative share of people living below the national poverty line (%)	33.0	32.9	36.8	31.2	29.2	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	63.3	61.1	58.5	56.9	60.2	56.9
Annual average employment rate of the population aged 15 to 64 (%)	55.6	52.9	52.2	51.0	54.6	52.4
Annual average unemployment rate of the population aged 15 to 64 (%)	12.2	13.4	10.7	10.2	9.2	7.9
Relative share of the population aged 25 to 64 with tertiary education (%)	21.6	16.4	15.8	18.6	20.5	17.3
Number of non-financial enterprises per 1,000 people	39	39	40	41	42	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	1,094	1,076	1,136	1,388	2,316	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	946	959	986	996	1,131	n.a.
Relative share of households with internet access (%)	30.3	33.7	34.6	45.8	50.8	51.0
Share of roads in good condition (%)	40.1	43.0	44.8	47.8	43.7	44.7
Share of territory included in cadastral maps (%)	74.0	74.0	74.0	74.0	80.4	80.5

Indicators of social development	2011	2012	2013	2014	2015	2016
Rate of natural increase (‰)	-9.7	-10.2	-10.2	-11.2	-11.0	-11.9
Net migration rate (‰)	-4.1	-3.5	-5.3	-4.2	-4.2	-5.6
Average grades at state matriculation exams	4.48	4.29	4.46	4.35	4.26	4.12
Percent of failed students at state matriculation exams ("average" 3.00)	2.86	3.59	2.51	2.97	6.17	9.92
Net enrolment rate of the population in 5th–8th grade (%)	82.0	81.3	80.7	80.0	81.2	82.5
Health insured persons as share of the population (%)	89.5	88.9	88.5	89.7	91.1	91.3
Cases of hospitalization in general hospitals per 1,000 people	204.9	210.2	220.1	213.4	208.8	205.2
Registered crimes against the person and property per 1,000 people	13.2	10.9	10.1	9.4	10.1	12.5
Clearance rates for crimes against the person and property registered during the year (%)	52.2	51.6	51.8	49.2	45.4	58.8
Share of pending criminal cases (%)	4.4	4.4	6.1	7.6	6.5	7.7
Share of the population living in settlements with public sewerage systems, connected to WWTP (%)	40.9	41.1	41.1	41.2	56.6	n.a.
Carbon dioxide emissions into the atmosphere (t/sq. km)	125.2	115.5	93.8	93.8	93.8	n.a.
Number of visits to cinemas per 1,000 people	0	0	0	0	0	150
Number of visits to theatres per 1,000 people	141	148	186	124	119	101