Gabrovo District

▶ Population (2018)	109,329
▶ Territory (sq. km)	2023.0
▶ Number of settlements	356
▶ Share of urban population (%)	82

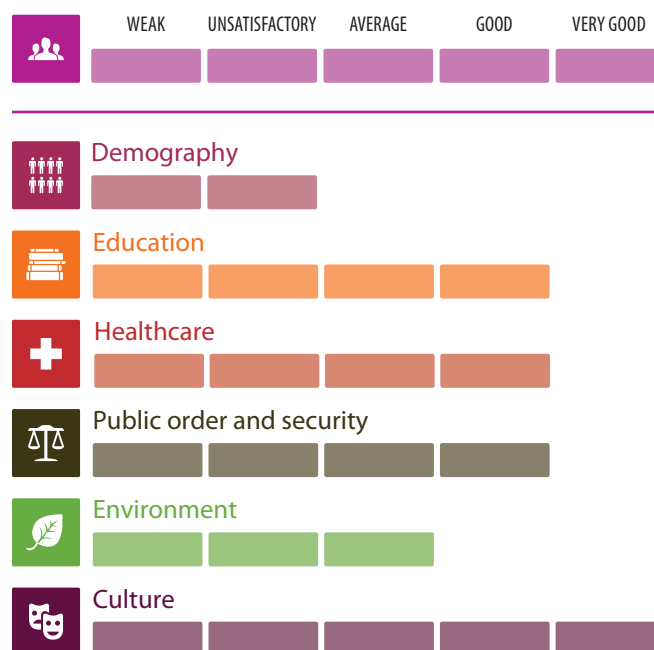SEVLIEVO

DRYANOVO

GABROVO

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Incomes and living conditions in the district of Gabrovo have approached the national average levels with GDP per capita reaching 87% of the national average rate and the annual average salary already above 10,000 BGN. Besides, the district has a share of population living below the national poverty line as well as people living in material deprivation considerably below the national average. The labor market is recovering after the crisis at a relatively fast pace with unemployment already very low, though employment has not yet reached its peak levels of 2008. The Gabrovo workforce has a high share of people with university degrees, the most serious threat it is faced with being demographic processes. The district has traditionally been a top performer in EU fund utilization, but it seems that the total investment activity is past its peak for this economic cycle. Gabrovo enjoys a relatively high density and quality of infrastructure; local taxes have retained relatively low rates. The level of administrative development is good, too.

The district offers relatively good conditions for education as school enrollment covers almost all students in the relevant cohorts; the exam results achieved by pupils are slightly above the national averages. There is notably high health insurance coverage – almost 96% of the total population, while the number of doctors is comparable with national average levels. Though the district's performance with regard to demographic tendencies is not the worst in the country, the tendencies are emphatically negative, especially in population growth, which is two times below the national average rate. The net migration is also negative, and the decrease in population numbers is apparent in its diminishing density. Ageing of the population is yet another strong tendency. Thanks to the low workloads of judges, the judicial system is considerably more efficient than those of most other districts. Environmental conditions in Gabrovo are also favorable, the only cause for concern being the growth of generated household waste. Thanks to the high visit rates to the district's museums, its rating on culture is also high.

ECONOMIC DEVELOPMENT

	WEAK	UNSATISFACTORY	AVERAGE	GOOD	VERY GOOD

Income and living standard

Labor market

Investment and economy

Infrastructure

Local taxes

Administration

SOCIAL DEVELOPMENT

	WEAK	UNSATISFACTORY	AVERAGE	GOOD	VERY GOOD

Demography

Education

Healthcare

Public order and security

Environment

Culture

ECONOMIC DEVELOPMENT ▪▪▪▪▪

📇 Income and living standard ▪▪▪▪▪

Between 2010 and 2017, GDP per capita in the district rose from 79 to 87% of the national average rate, reaching 12,363 BGN. The annual average salary, though 85% of the national average, has grown at the average pace for the country as a whole, rising above 10,000 BGN for the first time in 2017. In 2018 the relative share of the population living below the poverty line dropped to 14.6% relative to the national average rate of 22%. The share of people living in material deprivation – 9.6% – was even lower: twice below the national average.

👤 Labor market ▪▪▪▪

The labor market in Gabrovo has been recovering from the crisis faster than those in many other districts in the country. In 2018 the annual average unemployment rate dropped to 4.5% – its lowest level since 2009. Employment of the population aged 15–64 remained below the 2008 record high of 69.4% but quite close to the national average rate of 67.7%.

The educational structure of the workforce is relatively more favorable than the national average, particularly where the low share of people with primary and lower education in the district (barely 14.5%) is concerned. The relatively low ratio of demographic replacement remains a major challenge to the future development of the labor market. In 2018 it was 50.7%, which means that for every 100 people aged 60–64 ready to leave the workforce there were 50 people aged 15–19 to take their place. The national average ratio is 65.7%.

🏭 Investment and economy ▪▪▪▪▪

As of 15 June 2019 the district of Gabrovo ranked first in the country in EU funds utilization (3,234 BGN/person, compared to 1,803 BGN/person in the country). The highest utilization rate was achieved in the municipality of Gabrovo (4,264 BGN/person), and the lowest – in the municipality of Dryanovo (779 BGN/person).

After reaching record highs in 2014 and 2015, enterprises' FTA acquisition expenditure dropped visibly. In 2017 it amounted to 1,965 BGN/person, which is lower than the national average level by 21%. Still, investment activity in the district was relatively high, which could be seen in the investment interest from abroad. Gabrovo is the fifth most active district in terms of FDI in the country after the districts of Sofia (capital city), Sofia, Burgas, and Varna. As of the end of 2017 the nominal FDI in the district amounted to 326 m EUR, and its constant growth has continued steadily since 2013.

🚍 Infrastructure ▪▪▪▪▪

To a considerable extent, Gabrovo's good rating in infrastructure has been due to its relatively small territory. Thus, the density of both the road and railroad networks is above average, while the relative share of road surfaces in good condition (39%) is close to the national average. The low share of first-class roads (17.1% compared to 18.4% in the country as a whole) is a disadvantage to the district, as well as the absence of a highway.

In 2018 the relative share of households with Internet access reached 70.6%, slightly lower than the national average figure of 72.1%.

% Local taxes ▪▪▪▪▪

The district of Gabrovo is characterized by a favorable tax environment, which has rarely changed, especially in property tax rates. The raised tax on the immovable property of legal entities from 1.50 to 2.20‰ in 2016 in the Sevlievo municipality has been the single significant change in recent years.

The district average rate of the property transfer tax (2.21%) is the third lowest in the country after those of Blagoevgrad and Kyustendil. Two additional tax rates are below average: the annual tax on the immovable property of legal entities (1.75‰, compared to the country average of 1.95‰) and the license tax for retailers (8.88 BGN/sq. m compared to the average rate for the country of 12.94 BGN/sq. m).

💼 Administration ▪▪▪▪▪

The average rating of municipal administrations in the AIP Active transparency rating in 2019 was 80%. It gave them the first place for highest transparency, shared with the municipalities in Dobrich district.

Gabrovo has been one of the districts with cadastral map coverage of territories higher than the average rate for the country. In 2018 that was 77.5% of the district's territory, whereas the national average was 72.4%.

The local administration's self-evaluation on providing one-stop-shop services to individuals and businesses reached 3.12 points out of 5, while the national average was 3.07 out of 5 points. The only area where indicators showed some lagging behind concerned the quality and range of electronic services offered.

SOCIAL DEVELOPMENT

Demography

Gabrovo is the district with the most negative demographic indicators after Vidin and Kyustendil. In 2018 the natural population increase rate improved slightly to reach –13.2‰, twice the national average rate of –6.5‰; as a result, its population has been shrinking very fast. This trend was made worse by the negative net migration rate of –3.7‰, even though in recent years the economic development has helped the decrease of population outflow from the district. The shrinking population can also be seen in the decreasing density of population in urbanized areas – from 1,514 to 1,253 people/sq. km within the last decade.

The district has a high share of urban population: 82% of the total population in 2018; the only districts with higher shares were Varna and the capital. The district's significant ageing trend is visible in the age dependency ratios: for every 100 people in the 15–64 age group there were 48 in the 65+ age group, while for every 100 people aged 0–14 there corresponded 247 people aged 65+. Vidin is the only district with a more negative ratio in the first indicator, while Gabrovo has the top negative ratio in the second.

Education

Gabrovo is one of the districts with a large number of university students: 47 per 1,000 people in 2018. Their share was considerably higher than that in the country as a whole (32 per 1,000 people), but similar to student number trends in other districts with universities, in recent years it has been going down due to the general shrinking of the population in the respective age cohort. In terms of secondary education, Gabrovo is doing very well in enrolling pupils. In 2018 the enrolment rate in 5th-8th grade was 95.5% relative to 87.4% for the country as a whole; it has been on an improvement trend in the last two years. This is the best result in the country.

The share of repeaters – below 1% – is also below the national average rate. The same can be said of the share of dropouts: 2.33%, but deteriorating in recent years. The district's performance at matriculation exams was somewhat above national average levels with an average grade in Bulgarian language and literature of 4.10 in 2019, while the share of poor grades was 7.8%. One problem in education stands out in Gabrovo – the number of available teachers: only 80 per 1,000 people, though with a tendency to improve after 2103.

Healthcare

Access to GPs in the district of Gabrovo is somewhat better than it is elsewhere in the country with an average of 1,518 people per GP in 2018; unlike most districts there has been no deterioration lately. However, the number of medical specialists is smaller: one for 450 people (one for 424 people on average in the country). The district has the best health insurance coverage in the national healthcare system with 96% of the population having health insurance (an average of 88% in Bulgaria). General hospitals in the district have fewer beds: 4.6 per 1,000 people compared with the national average of 5.3. In 2018 hospitalizations in general hospitals were 240 per 1,000 people (versus 171 per 1,000 for the country as a whole). The infant mortality rate is also relatively low in the district – 5.4‰.

Public order and security

Gabrovo is characterized by an efficient judicial system where the share of criminal cases closed within three months was 94% in 2018 compared to the national average rate of 90%. The share of pending criminal cases was also relatively small: 6.5% compared to 8.7%. That efficiency, however, was the result of the relatively low workloads of judges as each heard 6.1 criminal cases a month relative to the national rate of 9.2. During the last two years the number of cases has been gradually decreasing.

Yet, crimes were not significantly fewer in number: in 2018 the rate of registered crimes against the person and property per 1,000 people was 11.4. The district's crime detection rate was also good as 65% of crimes registered in 2018 were detected compared to 49% on average for the country.

Environment

In 2018, the quantity of household waste in the district – 580 kg/person a year – was the highest in the country, following a strong upward trend for several years. Access to public sewerage in 2017 was relatively good (85% of households compared to an average rate of 76% in Bulgaria); 74% of households' sewerage systems were connected to wastewater treatment plants relative to the national average of 63%. The district was among those with the cleanest air: 23.8 t/sq. km carbon dioxide emissions despite the strong processing industry.

Culture

Gabrovo attained a very good rating in the category due to its first place in museum visits with 3,553 annually per 1,000 people or almost five times above the national average rate. Interest in theaters was somewhat lower with 405 (compared to 340) visits on average per 1,000 people. However, cinema visits (339) and library visits (595) were relatively fewer.

Key indicators for the district of Gabrovo

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	9,833	10,358	11,152	12,363	n.a.
Average annual income per household member (BGN)	4,787	5,102	5,728	6,937	n.a.
Average annual gross salary per employed person (BGN)	8,283	8,826	9,498	10,522	n.a.
Share of the poor relative to the country poverty line (%)	13.0	14.9	15	14.6	n.a.
Economic activity rate of the population aged 15–64 (%)	72.1	73.0	72.2	70.8	70.4
Employment rate of the population aged 15–64 (%)	66.1	67.4	67.6	67.1	67.2
Unemployment rate of the population aged 15–64 (%)	8.1	7.5	6.3	5.1	4.5
Share of people with tertiary education aged 25–64 (%)	26.3	26.8	25.9	26.5	27.9
Number of non-financial enterprises per 1,000 people	48	51	52	54	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	2,598	2,648	2,029	1,965	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	2,261	2,510	2,671	2,932	n.a.
Share of households with Internet access (%)	64.4	49.4	54.3	66.9	70.6
Share of roads in good condition (%)	41.5	42.2	34.1	34.4	39.0
Cadastral map coverage (%)	21.3	21.3	21.3	55.9	77.5

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	−11.6	−12.5	−12.7	−14.4	−13.2
Net migration rate (‰)	−4.8	−5.5	−4.4	−4.4	−3.7
Average grade at the matriculation exam in Bulgarian language and literature	4.37	4.23	4.12	4.17	4.11
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	4.3	6.6	7.1	6.8	7.8
Net enrolment of the population in 5th–8th grade (%)	77.6	78.7	77.5	91.9	95.5
Share of people with health insurance (%)	94.0	95.5	96.1	95.4	95.9
Hospitalizations per 1,000 people	246.2	258.4	256.1	244.1	240.8
Registered crimes against the person and property per 1,000 people	12.7	13.5	13.8	12.6	11.4
Clearance rate for crimes against the person and property from those registered in the current year (%)	52.2	51.2	61.7	62.0	65.3
Share of pending criminal cases from those registered in the current year (%)	12.1	6.2	8.2	8.9	6.5
Share of the population with access to sewerage connected to wastewater treatment plants (%)	66.8	74.4	74.3	74.4	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	31.0	25.7	18.0	23.8	n.a.
Visits to the cinema per 1,000 people	145	379	391	351	339
Visits to the theater per 1,000 people	399	370	405	442	405