

# Pazardzhik District

▶ Population (2018)	256,722
▶ Territory (sq. km)	4456.9
▶ Number of settlements	117
▶ Share of urban population (%)	63



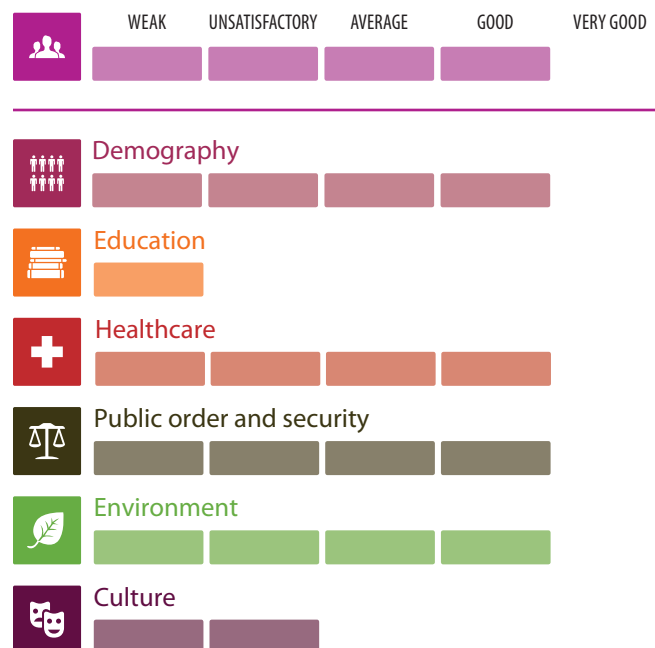
The economy of Pazardzhik has been lagging considerably behind other districts with much lower GDP per capita and salaries, alongside low household incomes as well as high poverty and material deprivation levels. Unemployment rates are relatively low but the same can be said of the working age population's employment rate, which means that a considerable part of it remains entirely outside the labor market. To a great extent this is the result of poor education and lack of skills in a considerable portion of the population. The production value is almost half the national average figure and the same can be said of companies' investment activity. In addition, Pazardzhik is doing worse than most districts in EU funds utilization. Despite the highway running through the district, the quality of infrastructural connectivity and the density of the road network remain unsatisfactory. Evaluations of administrative services have been improving in recent years, but their quality remains low.

Similar to demographic tendencies in the rest of the country, those in Pazardzhik remain negative. There are no higher education establishments in the district, while both primary and secondary education have experienced considerable difficulties in the enrolment of school age children. The share of school dropouts is considerable, and so is that of repeaters. Access to healthcare is not particularly difficult, and morbidity is generally low but the high infant mortality in the district is cause for concern. Despite the high workload of the district court, Pazardzhik has one of the speediest judicial systems in the country, and crime detection is high. The last few years have seen a considerable decrease in generated household waste but access to sewerage services connected to wastewater treatment plants remains limited. Museum visits constitute the most active part of cultural life in the district, whereas library visits are half the national average rate.

## ECONOMIC DEVELOPMENT



## SOCIAL DEVELOPMENT



## ECONOMIC DEVELOPMENT ■■■

### Incomes and living standard ■■

The district of Pazardzhik is lagging far behind most other districts in Bulgaria in economic development. In 2017 GDP per capita was 8,123 BGN or almost half the national average of 14,280 BGN, while its growth pace in recent years has been considerably slower than that of Bulgaria as a whole, especially compared with the neighboring districts of Sofia and Plovdiv. Poor economic development has predictably affected lower salaries in the district: a gross average annual salary of 9,468 BGN versus the national average rate of 12,448 BGN.

Household incomes were also considerably below national average figures: in 2017 they reached an average of 4,592 BGN per household member, or lower by 1,000 BGN (by 22%) than the indicator's national level. Almost a third of the population in the district lives in material deprivation while as much as 41%, or almost twice the national average rate, live below the poverty line.

### Labor market ■■■■

In 2018, unemployment in Pazardzhik was 4.7%, slightly less than the average rate for Bulgaria (5.3%); like elsewhere in the country it has been on a gradual decline in recent years. However, that tendency was accompanied by a relatively low general economic activity of the population, while the employment rate of the working age group was barely 63.8%.

The problem of the district's workforce which stands out most clearly is the very low share of active population with tertiary education: only 17.8% or about 2/3 of the country average rate. On the other hand, the share of those with primary and lower education (23.8%) is above the country average. The demographic replacement ratio of the age groups entering (age 15–19) and leaving (60–64) the labor market is also above the national average, which points to a slightly better capacity of the workforce for recovery.

### Investment and economy ■■■

The fact that Pazardzhik is economically underdeveloped was apparent in its production value, 13,152 BGN/person in 2017 versus 23,764 BGN/person for the country as a whole. However, it has been growing at a slightly faster pace: 76% in a decade compared to the national average of 64%, probably because of the comparatively lower starting point. The number of enterprises registered in the district was also relatively low: 44 non-financial companies per 1,000 people. The district does not boast a particularly vigorous investment activity. In 2017 FTA acquisition expenditure was 1,654 BGN/person – about 2/3 of the national average, albeit with an upward trend. Pazardzhik was also among the districts with the lowest rate of EU funds

utilization: as of mid-2019 it amounted to over 1,000 BGN/person. As of the end of 2017, FDI (1,950 BGN/person) was also below the national average of 1,950 BGN/person.

### Infrastructure ■■■

Even though the longest highway in the country runs through the district, on the whole, its infrastructure remains inadequately developed. The main reason lies in the low share of highways and first-class roads (15.1%) as well as the total density of the road network (16.3 km/100 sq. km of territory), which is considerably below the average level in the country. Due to its geographic location the district has a well-developed railroad network with a density of 4.2 km/100 sq. km compared to the national average rate of 3.6 km /100 sq. km.

Road quality, measured by the share of roads with surfaces in good condition, (at 41.1% in 2018) was close to the national average, though in recent years it has slowly declined since its peak of 52% in 2015. Broadband Internet coverage has gradually increased to reach about 2/3 coverage of the district according to recent data.

### Local taxes ■■■■■

The tax environment in the district is one of the most favorable in the country, with most rates below average figures. The annual average license fee for taxi transport in all of Pazardzhik's municipalities is at the minimal level of 300 BGN.

The license tax for retail trade, 8.94 BGN/sq. m a year, is considerably below the national average rate of 12.94 BGN. The average vehicle tax, 1.13 BGN/kW, as well as that on non-residential property of legal entities – 1.80‰ – were both lower. The only tax to surpass average levels was the property transfer tax of 2.74%.

### Administration ■■■

Despite the significant increase in cadastral map coverage in the whole country, the pace of improvement has been lagging behind in the district of Pazardzhik, as coverage (57.2%) has remained low in the district. The rating for one-stop-shop services is 2.68 out of 5.00, while that for electronic government in municipalities is 2.81 out of 5.00. As for administration transparency, the AIP Rating evaluates it at 68%, below average for the country, though improving significantly relative to previous years.

## SOCIAL DEVELOPMENT

### Demography

Pazardzhik was among the districts with natural growth rates above the average for Bulgaria ( $-6.5\%$  in 2018); it has retained a relatively stable level between 5 and 6‰ in recent years. The net migration rate in 2018 was also negative ( $-4.1\%$ ); the two indicators imply a considerably shrinking population in the near future.

Pazardzhik is relatively less urbanized than most other districts: in 2018, 63% of the population lived in cities compared to an average of 74% in the country. However, the population density in urbanized territories was relatively high at 2,113 people/sq. km compared to an average of 1,526 people/sq. km in Bulgaria.

### Education

Though school education has improved significantly in recent years, it still faced considerable difficulties in enrolling children: in 2018 only 82.5% of the respective age cohorts were enrolled (compared to 87% nationally). The low enrolment could explain the high number of teachers, 92 per 1,000 pupils (compared to 84 nationally).

Keeping children at school was also problematic: in 2017 the share of dropouts from primary and secondary education was over 5.29% or higher than the national average rate by more than 3/4. The share of repeaters, 1.17%, was also higher. In view of these figures, the results of 12th grade students at matriculation exams in Bulgarian language and literature surpassed expectations with an average grade in Bulgarian language and literature of 3.95 (versus 4.06 on average in the country). Yet, the share of poor grades (13.5%) was considerably above the national average.

### Healthcare

Access to healthcare in the district was quite similar to national average rates: in 2018 there were 1,667 people per GP in Pazardzhik, while a medical specialist was responsible for 512 people. However, the share of people with health insurance was lower, only 85%, while the dynamics of recent years shows no significant improvement in this indicator. The number of beds in general hospitals in the district, 6.7 per 1,000 people, is above the national average rate.

Despite the great number of available beds, hospitals in Pazardzhik are the second least used in the country with only 107 hospitalizations per 1,000 people in 2018, Burgas being the only district with a smaller rate. Though infant mortality in the district shrank considerably to reach 9.1‰ in 2018, that indi-

cator remained considerably higher than other regions; as a result, Pazardzhik ranked third after Pleven and Razgrad.

### Public order and security

After Razgrad, Pazardzhik has the speediest justice administration in the country with 96.1% of all criminal cases closed within 3 months. The share of pending cases, 6.6%, is also below average, compared to 8.7% average in Bulgaria in 2018. This high efficiency is all the more remarkable in view of the high workloads of criminal judges in the district: they saw an average of 10.8 cases a month, one of the highest rates in the country.

On the other hand, in 2018 the crime rate in the district was relatively low with 9.1 crimes against the person and property registered per 1,000 people, while the national average rate was 12.1 per 1,000 people. Their detection rate of 59% was also above the national average rate (49%).

### Environment

In 2017, generated household waste shrank to reach 338 kg/person annually compared to 750 kg a decade earlier. Although the general tendency in the country was to generate less waste, the pace of improvement was relatively faster in Pazardzhik. A lingering problem was the access and quality of public sewerage: while the share of population in areas with public sewerage (72%) was close to the national average, the district was lagging behind significantly in the share of population with access to sewerage systems connected with wastewater treatment plants – 44% versus the national average of 63%. The amount of harmful emissions in the district, 23 t/sq. km was smaller than the national average rate of 389 t/sq. km in 2017.

### Culture

In 2018 museum visits were the most popular type of cultural activity in the district of Pazardzhik with an annual average rate of 821 per 1,000 people. Theaters, too, attracted relatively little attention with 246 visits per 1,000 people, considerably below the average of 340 visits in the country. Pazardzhik is one of the districts without cinemas. Visits to public libraries were also very few: 310 per 1,000 people versus an average of 650 in the country.

## Key indicators for the district of Pazardzhik

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	6,864	7,929	7,493	8,123	n.a.
Average annual income per household member (BGN)	3,570	3,728	4,229	4,592	n.a.
Average annual gross salary per employed person (BGN)	7,650	8,006	8,721	9,468	n.a.
Share of the poor relative to the country poverty line (%)	46.6	43.3	44.0	41.4	n.a.
Economic activity rate of the population aged 15–64 (%)	66.6	65.3	65.3	69	67
Employment rate of the population aged 15–64 (%)	59.6	59.7	60.2	64.6	63.8
Unemployment rate of the population aged 15–64 (%)	10.4	8.6	7.7	6.2	4.7
Share of people with tertiary education aged 25–64 (%)	15.3	16.8	18.8	19.1	17.8
Number of non-financial enterprises per 1,000 people	39	42	43	44	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,512	1,659	1,419	1,654	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	1,762	1,855	1,832	1,950	n.a.
Share of households with Internet access (%)	49.6	50.6	60.7	67.8	67.8
Share of roads in good condition (%)	49.8	51.8	47.0	45.6	41.1
Cadastral map coverage (%)	26.8	26.8	27.1	37.9	57.2

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	-5.3	-6.1	-5.8	-7.0	-5.6
Net migration rate (‰)	-4.9	-4.9	-4.9	-4.1	-4.1
Average grade at the matriculation exam in Bulgarian language and literature	4.24	4.21	4.01	3.96	3.84
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	5.8	6.6	14.6	15.3	10.0
Net enrolment of the population in 5th–8th grade (%)	78.9	78.7	77.5	84.2	82.5
Share of people with health insurance (%)	83.6	85.5	85.2	84.4	84.7
Hospitalizations per 1,000 people	152.6	265.8	276.1	318.2	107.2
Registered crimes against the person and property per 1,000 people	10.2	10.1	9.9	9.4	9.1
Clearance rate for crimes against the person and property from those registered in the current year (%)	41.8	46.0	55.4	51.4	59.1
Share of pending criminal cases from those registered in the current year (%)	9.8	6.9	5.1	5.8	6.6
Share of the population with access to sewerage connected to wastewater treatment plants (%)	27.4	44.3	43.8	43.9	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	35.5	32.5	35.6	22.7	n.a.
Visits to the cinema per 1,000 people	0	0	0	61	0
Visits to the theater per 1,000 people	163	154	237	267	246