

# Sliven District

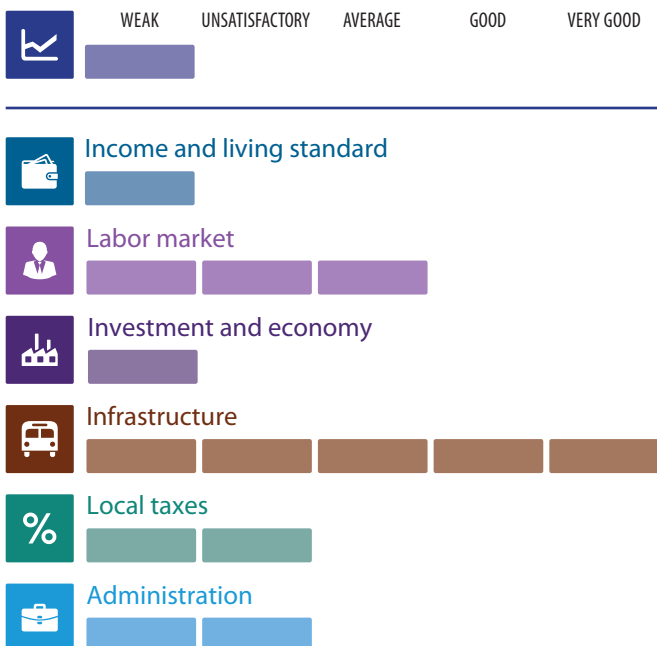


▶ Population (2018)	187,464
▶ Territory (sq. km)	3544.1
▶ Number of settlements	120
▶ Share of urban population (%)	66

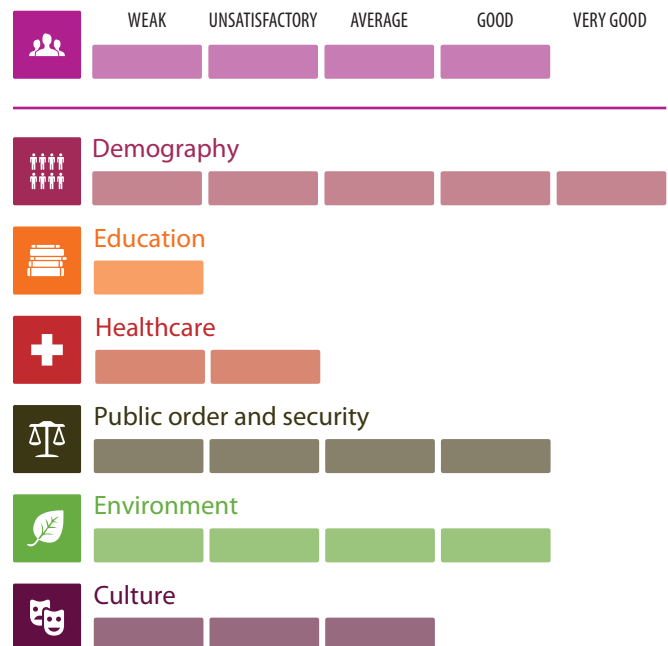
Sliven's economic development can be rated as poor. Income in the district has failed to catch up with national average levels, while GDP per capita is half the national average. Living standard is low, and the share of population in households with income below the poverty line is exceptionally high. The reason for the low levels of income is the poor performance on the labor market as well as the highly unfavorable educational structure of the work force. Unemployment is twice the national average rate, while employment is seriously lagging behind national average rates. Regardless of the comparatively favorable demographic picture (mostly because of the young population), poor educational characteristics are a hindrance to the latter's inclusion in the labor market. Business economic activity is low; investment suffers from the poor performance of local government and the relatively high taxes. Nevertheless, Sliven has a good road infrastructure with high qual-

ity roads. The chances for growth lie in the improvement of the business environment and educational structure as well as the further development of administrative services. Sliven's good social development is rooted in its good demographic indicators: the natural population growth rate is relatively high due to the high birth rate, whereas the ageing of the population has affected age structure as little as possible. Poor economic development entails negative net migration, and educational structure does not create favorable conditions for the district's development. The low volume of generated waste is yet another reflection of the relatively poor economy and low living standards. Education results have improved during the last year, and healthcare efficiency has increased. Justice administration in Sliven is at a very good level with relatively low registered crime rates and a well-functioning judicial system. Cultural life is not intensive and is rather limited by the lack of cultural infrastructure.

## ECONOMIC DEVELOPMENT



## SOCIAL DEVELOPMENT



## ECONOMIC DEVELOPMENT ■

### Income and living standard ■

Poor economic development and low living standards are visible in the district's main economic indicators. Sliven's GDP for 2017 was close to half the national average rate: it reached 7,046 BGN/person compared to the national average of 14,208, the second lowest in the country after Silistra. Population incomes reflect the poor economic activity, the low investment and the unfavorable situation in the labor market. The annual average gross salary of employed people reached 9,113 BGN (compared to an average of 12,448 BGN in Bulgaria). The average income per household member reached 3,790 BGN per annum versus the national average of 5,586 BGN – only Vidin had a lower figure than that.

The district's living standard was also low. The share of the population living in material deprivation was the highest in Bulgaria in 2018: 33.6% versus the country average rate of 20.9%.

### Labor market ■■■

In 2018 the unemployment rate of the population aged 15+ dropped to 9.9% but that was still almost double the national average rate of 5.3%. Employment rates and economic activity were also considerably below national average levels: the employment rate was 61.2% (compared to an average of 67.7% nationally).

The demographic replacement ratio in the district of Sliven was the highest in the country, and continued going up to reach 86.6% in 2018: by comparison, the average replacement ratio in the country reached 65.7%. This means that in Sliven, compared to the other districts, a relatively large number of young people could join the labor market to replace those leaving the workforce. Whether Sliven's economy will be able to take advantage of this fact is questionable as the future development of the labor market is very limited by the educational structure of the population and the low quality of education in the district. In 2018, 33.4% of the population in the district had primary or lower education (versus an average of 17.4% in the country). This indicator has been deteriorating continuously in recent years and now Sliven is among the four districts with least favorable rates.

### Investment and economy ■

Economic activity in Sliven is poor. In 2017 the number of non-financial enterprises retained its average level of 37 per 1,000 people (versus 57 in the country as a whole). FTA acquisition expenditure kept going down, reaching 1,060 BGN/person or about 40% of investment at the national level. FDI was very low, barely 737 EUR/person (versus 3,459 EUR/person (on average for the country). This was the main factor for the low potential of the local economy, which resulted in low production

value worth barely 10,891 BGN/person (versus 23,764 BGN/person for the country as a whole).

It is not accidental that Sliven has been lagging far behind the rest of the country in EU funds: as of mid-2019, 840 BGN/person were utilized relative to the national average rate of 1,803, which ranked the district last in Bulgaria.

### Infrastructure ■■■■■

The level of the basic physical infrastructure in the district of Sliven continues to be high. Road and railroad network density is similar to the average one for the country but the share of highways and first-class roads is above average: 22% versus 18.4% for Bulgaria. Sliven is the district with the highest share of road infrastructure of high quality: 80% (versus an average of 40.5% for the country as a whole). Road infrastructure quality in the district went up by 10 p.p. last year, an indication for considerable investment.

The share of households with Internet access was also on a serious rise: from 58.5% in 2017 it went up to 75.2% in 2018. Thus Sliven went above national average figures on this indicator.

### Local taxes ■■

In 2019, not a single of the four municipalities in the district raised any of its taxes. Yet, the average rates of the tax on real estate of legal entities, that on vehicles and cars as well as the property transfer tax have retained levels higher than the average levels for the country. This can be considered one of the negative factors for the business environment in the district.

### Administration ■■

During the last three years the average Active transparency rating for the work of municipal administrations has been going up. It has reached 71%, already slightly above the average rating of 70.7% for the municipal administrations in the country. The municipal administration, which performed best in the district, was that of Sliven with a rating of 82.8% for 2019, whereas Tvarditsa had the worst rating of 34.8%. The average rate of municipalities' self-evaluation for development of electronic government kept its level from the previous year, slightly above average, but their self-evaluation for one-stop-shop services was below average by almost a digit. Cadastral map coverage grew from 23 to 62.1% of the district's territory in a year, though this is still lower than the national average coverage of 72.4%.

## SOCIAL DEVELOPEMNT

### Demography

The demographic picture in the district of Sliven, based on the indicators under consideration, can be estimated as very good and close to the level of Kardzhali and Plovdiv. Sliven had the most favorable ratio of age dependency between people aged 65+ and those aged 0–14 for 2018: 106.9% while the value for this indicator in Bulgaria was 148.6%.

The district's birth rate was high, which led to one of the most favorable natural growth rates (though negative) in the country, –3.6‰. The only higher natural growth rate (–1.9‰) was registered in the capital. Sliven was suffering from a high net migration (–6.8‰), a reflection of the poor state of the labor market and the low living standard in the district.

### Education

The district of Sliven is characterized by poor results in terms of the enrolment in the educational system. Though the net enrolment rate in 5th–8th- grade rose to 85.7%, it has stayed below the national average rate of 87.4%. The share of repeaters rose again to reach 2.43%, the highest one in Bulgaria, with the average rate at 0.91%. In 2018 the district ranked first in the number of dropouts as well: 6.04%. The number of teachers in secondary education kept growing to reach 73 per 1,000 pupils. The number of college graduates was very small: 5 per 1,000 people (versus the national average rate at 32). The reason for this is the fact that there are only two branches of higher education establishments in the district: that of the Varna Medical University and that of the Technical University in Sofia. On the other hand, in 2019 educational results improved in comparison with the previous year, and approached the national average levels. The share of poor grades in Bulgarian language and literature was 8.5% (compared to 8.7% for the country). The average grade at the matriculation exam in Bulgarian language and literature was “good”4.04 (the national grade was “good” 4.06).

### Healthcare

In 2018 the resources of Sliven's healthcare system were slightly below average. A GP served an average of 1,856 people (compared to an average of 1,673 for the country as a whole), while a medical specialist served 599 people (compared to a national average of 424). The number of beds in general hospitals rose slightly in recent years to reach 4.8 per 1,000 people (versus 5.34 beds in the country). Hospitalized patients for that year were 153.3 per 1,000 people; these values, considerably lower than the national average level, might have been caused by the inferior quality of local hospitals and preferences for visiting other ones in neighboring districts. The share of people with health insurance is also close to the national average rate: 86.6% versus an average of 87.9%, rather on the lower side of the spectrum.

Though slowly, healthcare indicators have been improving. Infant mortality is still among the highest in the country but the reported rate was the lowest since 2011: 8.4‰. On this indicator, Sliven has been doing better in recent years than Pazardzhik, Razgrad, Pleven, and Yambol.

### Public order and security

The crime rate in the district of Sliven has been relatively low: registered crimes against the person and property in 2018 numbered 11.3 per 1,000 people, while the national average rate was 12.1. Of those, 67.1% were detected, a rate over the national average by almost 19 p.p.

Sliven has an efficient judicial system where the judge workloads, 9.8 cases a month per criminal judge, were above the national average workload of 9.2 cases. Higher workloads did not lead to a greater number of pending cases: only 5.7% of pending cases versus the average of 8.7% for the country; 94% of cases ended within 3 months (versus 90.2% on average for the country).

### Environment

The slightly lower urbanization of the population in the district has predetermined the lower share of people living in areas with public sewerage: 65.2% versus the national average rate of 76%. The share of the population with access to sewerage connected to wastewater treatment plants was 57.3% or lower than national average figures by almost 10 p.p.

In 2017 generated household waste rose to 355 kg/person (compared to an average of 435 kg for the country), while carbon dioxide emissions into the atmosphere were less than half the national average.

### Culture

The average number of cinema visits in the district of Sliven was very low in 2018, only 66 per 1,000 people and going down. On this indicator, Sliven is comparable with Sofia-district, Haskovo, and Yambol.

Theater visits also followed a downward tendency in the last few years: in 2018, they were 285 per 1,000 people (compared to 340 on average for the country).

The five museums in the district were visited on average of 497 times per 1,000 people, while the national average rate was 724 per 1,000 people. Only the annual average visit rate for libraries was above average in the district: 791 per 1,000 people (compared to 650 visits registered for Bulgaria as a whole).

## Key indicators for the district of Sliven

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	5,961	5,921	6,392	7,046	n.a.
Average annual income per household member (BGN)	4,017	4,236	3,685	3,790	n.a.
Average annual gross salary per employed person (BGN)	7,265	7,830	8,438	9,113	n.a.
Share of the poor relative to the country poverty line (%)	38.0	38.7	47.2	35.6	n.a.
Economic activity rate of the population aged 15–64 (%)	60.7	62.9	64.8	65.8	68
Employment rate of the population aged 15–64 (%)	52.4	55.9	58.9	58.9	61.2
Unemployment rate of the population aged 15–64 (%)	13.6	10.9	9.2	10.2	9.9
Share of people with tertiary education aged 25–64 (%)	22.5	21.8	21.4	21.2	21.1
Number of non-financial enterprises per 1,000 people	35	36	37	37	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,152	1,202	1,068	1,060	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	480	474	652	737	n.a.
Share of households with Internet access (%)	49.8	44.6	54.1	58.5	75.2
Share of roads in good condition (%)	80.3	72.4	71.9	70.4	80
Cadastral map coverage (%)	23.0	23.0	23.0	23.0	62.1

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–2.5	–2.7	–2.4	–2.8	–3.6
Net migration rate (‰)	–4.1	–4.9	–5.0	–4.4	–6.8
Average grade at the matriculation exam in Bulgarian language and literature	4.19	4.18	4.15	4.24	3.96
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	9.0	5.9	6.9	7.2	5.0
Net enrolment of the population in 5th–8th grade (%)	75.0	75.2	76.4	84.2	85.7
Share of people with health insurance (%)	85.6	87.4	87.5	86.8	86.6
Hospitalizations per 1,000 people	153.8	217.1	221.8	231.3	153.3
Registered crimes against the person and property per 1,000 people	12.5	11.6	11.1	11.8	11.3
Clearance rate for crimes against the person and property from those registered in the current year (%)	47.8	51.8	62.4	57.9	67.1
Share of pending criminal cases from those registered in the current year (%)	13.7	5.2	6.7	3.6	5.7
Share of the population with access to sewerage connected to wastewater treatment plants (%)	57.6	57.4	57.2	57.3	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	161.0	161.0	161.0	160.0	n.a.
Visits to the cinema per 1,000 people	93	84	101	97	66
Visits to the theater per 1,000 people	350	314	339	339	285