

Lovech District

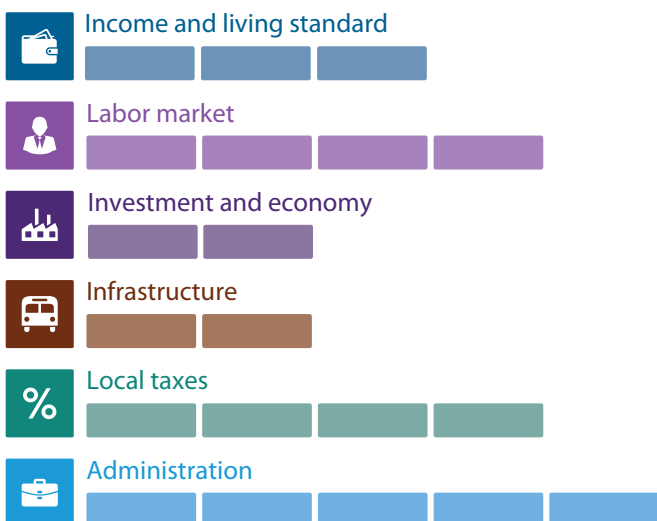
▶ Population (2019)	122,546
▶ Territory (sq. km)	4,128.8
▶ Number of settlements	110
▶ Share of urban population (%)	63.0



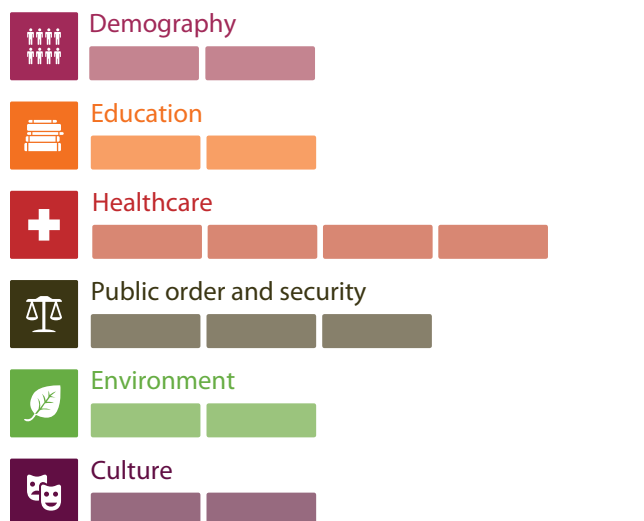
Despite its low starting point, GDP per capita in Lovech district has been growing at a rate similar to the country's average and so its amount remains smaller than the national average. Poverty rates in the district are falling, but they are still higher than the country averages. In 2019 the labor market picked up a lot of speed. Economic activity in the district intensified and its growth was accompanied by a sharp increase in employment and a decline in unemployment. Investment activity in the district is not very strong. Households' access to the Internet remains relatively limited. The average rate of local taxes in the municipalities of Lovech district was still relatively low in 2020. The fig-

ures for the performance of the local administration place the district among the leaders in the country. The problem of population ageing is particularly acute in Lovech district. The students' educational results are unsatisfactory. The indicators for the district's health-care again gave Lovech one of the top-ranking places in the country for 2019. The number of registered crimes against the person and property equalled the national average but detection rates were considerably higher. The amounts of household waste remained lower than the average but the share handed over for treatment and recycling continued to be extremely limited. The district's cultural life is not particularly active.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT

Income and living standard

Despite its low starting point, in 2018 GDP per capita in Lovech district grew at a rate similar to the national average. Thus its value of 9,700 BGN per capita remained lower than the average of 15,600 BGN for the country. The same trend is observed in salaries and incomes. In 2018, the average gross salary in the district reached 10,300 BGN per annum, compared to 13,800 BGN on average nationwide, and in 2019 the average income per household member amounted to 4,454 BGN per year, against 6,013 BGN countrywide.

Poverty rates in the district have been falling, but in 2019 they still remained higher than the national averages. The share of the population living in material deprivation was 22.4%, versus 19.9% in the country, and those living below the poverty line constituted 25.3% of the population, compared to 22.6% nationwide.

Labor market

In 2019 the labor market in Lovech district picked up a lot of speed. Economic activity intensified by 6 p.p. to reach 73.5%, almost catching up with the national average of 74.3%. This growth was accompanied by a sharp rise in employment figures and a decline in unemployment. The employment rate reached 67%, coming close to the average of 70% nationwide. The unemployment rate shrank to 6.5%, versus the national average of 4.2%.

The labor market still faces the challenge posed by the educational structure of the workforce. Although the share of the population with primary education or less is relatively low (13.5%, compared to 17.6% in the country), the share of the workforce with a university degree is limited – 19.1%, versus the national average of 28.0%. A relatively large share of the workforce has secondary education, which reflects the structure of the economy in the district.

The population replacement ratio of those aged 15-19 to those aged 60-64 is 64.2%, against the national average of 65.9%.

Investment and economy

Investment activity in Lovech district is not particularly strong. The relative number of enterprises in the district had been rising but in 2018 it still remained comparatively low – 46 per 1,000 persons, versus the national average of 59 per 1,000 persons. FTA expenditure and FDI in the district were also extremely limited. In 2018 FTA acquisition expenditure amounted to 1,165 BGN/person, while the national average was 2,750 BGN/person. Cumulative FDI in Lovech district was 969 EUR/person, against 3,560 EUR/person on a national level.

The values of the above indicators were a prerequisite for the relatively low production value in the district. In 2018 it was 14,700 BGN/person, against the national average of 25,900 BGN/person.

By 15 June 2020 utilization of EU funds had begun to accelerate compared to the previous year and the payments made in the district to beneficiaries under EU operational programs exceeded the national average. They amounted to 2,121 BGN/person, versus 1,976 BGN/person on a national level. Within the district, the highest amounts were utilized by the municipalities of Yablanitsa, Lukovit and Troyan.

Infrastructure

The railroad network density in Lovech district remains relatively low. Although the road network density is higher than the national average, the share of highways and first-class roads remains relatively small. In 2019, the share of roads in good condition rose to 41%, equal to the national average.

The relative share of households with internet access remained relatively limited in 2019 – 66.8%, versus the average of 75.1% nationally.

Local taxes

The average level of local taxes in the municipalities of Lovech district remained relatively low in 2020. An exception was the tax rate on the non-residential immovable property of legal entities. In Lovech district it was 2.25‰ on average, compared to 2.01‰ in the country.

For the other monitored local taxes – on motor vehicles, retail trade, non-gratuitous acquisition of property and taxi transportation – the average rates in the district were lower by 15 to 20% than the national ones.

Administration

The performance of the administration in Lovech ranks the district among the leaders in the country. One of the main reasons for this is that in 2020 the local authorities recorded higher self-assessment ratings for the development of e-administration and the provision of one-stop-shop services. In both indicators Lovech district exceeded the averages for the country. Another reason for the high assessment of the local administration is its relatively good transparency rating. In 2020, it reached 77.9%, compared to the average of 70.7% nationally. Within the district, the highest ratings (of over 80%) were given to the municipalities of Troyan and Teteven.

SOCIAL DEVELOPMENT

Demography

The problem of population ageing is particularly acute in Lovech district, which in 2019 remained among the regions with the most unfavourable demographic tendencies (after Vidin and Kyustendil).

For eight years, the natural population growth rate has remained below -10% , while in 2019 it even fell to -13.1% , or twice lower than the national average of -6.7% . Out-migration from the district is also rising and the net migration rate has reached -5.8% .

These processes also affect the age dependency figures in the district. For the fourth consecutive year, the ratio of people aged 65+ to those aged 0-14 years was 201%, compared to 150% in the country on average, and to those aged 15-64 years – 45%, versus 34% nationwide.

A relatively low share of the district's population lives in urban areas – 63%, compared to 74% in the country, and the population density of urbanized areas is almost half the national average – 836 persons/sq.km, while nationally it is 1,510 persons/sq.km.

Education

The district's performance in the education category is unsatisfactory. The percentages of repeaters and dropouts from primary and secondary school have been on the rise and remain higher than the national averages. In 2018, school dropouts comprised 4.2%, compared to 2.9% in the country, and in 2019 repeaters made up 1.3% of the students, against 0.9% in the country. Though the enrolment ratio in 5th–8th grade was on the decline in 2019, it still remained higher than the national average.

The exam results achieved by the district's students in 2020 once again present a mixed picture. The average score at the external assessment in mathematics after 7th grade was significantly lower in the district than nationally – 29.8 points, versus 36.3 points in the country on average. At the same time, the grades in the matriculation exam in Bulgarian language and literature again came close to the average ones for the whole country (4.19 in the district, 4.20 in the country), while the share of "fail" grades (below 3.00) exactly equaled the national average of 8%.

The relative number of teachers in primary and secondary education has been increasing, but it is still lower than the national average.

Healthcare

The 2019 healthcare indicators for Lovech district again place it among the leaders in the country. The main reason for this is the relatively high accessibility to doctors. One local GP cared for 1,476 persons, whereas the average proportion for the

country was 1,688 persons per doctor. The access to specialist physicians was close to the national average.

The number of beds in the local general hospitals remained low – 468 beds per 100,000 people in the district, versus 550 beds per 100,000 people in the country.

Infant mortality in the district is declining and is already below the national average. Significantly lower is also the number of hospitalizations in the district – 163 per 100,000 persons, compared to 254 per 100,000 nationwide.

Public order and security

The workloads of criminal judges in Lovech district have been on the decline, but in 2019 they still remained above the national average: an average of 10 cases a month per judge, compared to 9 cases nationally. Still, the speed of the delivery of justice was good, so the proportion of criminal cases closed within 3 months reached 96%, compared to the average of 90% nationwide.

The relative number of registered crimes against the person and property in Lovech district equaled the national average of 11 per 1,000 persons, but the detection rate was very high – 64%, against 52% for the country.

Environment

The amount of household waste generated in the district in 2018 remained lower than the national average – 332 kg/person per annum, against 409 kg/person per annum on a national scale. However, the part of it handed over for treatment and recycling was still extremely limited – 11%, compared to the national average of 71%.

The share of the population with access to public sewerage networks still remained relatively limited in 2018 – 69%, compared to 76% countrywide. 57% of the population were connected to waste water treatment plants, against the national average of 64%.

Culture

Cultural life in Lovech district again showed little intensity in 2019. The district achieved better than average results only as regards visits to the local museums – 1,031 visits per 1,000 persons, against the national figure of 770 per 1,000 persons.

Visits to the local cinemas were severely limited in number – 183 per 1,000 persons, compared to 659 per 1,000 persons nationwide, and so were visits to the theaters – 161 per 1,000 persons, versus 362 per 1,000 persons, and to libraries – 227 per 1,000 persons, against 683 per 1,000 persons.

Key indicators for the district of Lovech

Indicators of economic development	2017	2018	2019	National average
GDP per capita (BGN, current prices)	8,804	9,653	n.a.	15,615
Average annual income per household member (BGN)	4,303	4,303	4,454	6,013
Average annual gross salary per employed person (BGN)	9,474	10,317	n.a.	13,775
Share of the poor relative to the national poverty line (%)	n.a.	38.3	25.3	22.6
Employment rate of the population aged 15-64 (%)	55.8	60.9	67.0	70.1
Unemployment rate of the population aged 15-64 (%)	8.7	9.8	6.5	4.2
Share of the population aged 25-64 with primary or lower education (%)	22.4	15.6	13.5	17.6
Share of the population aged 25-64 with tertiary education (%)	17.8	20.9	19.1	28.0
Production value (BGN/person)	13,558	14,666	n.a.	25,855
Expenditure on fixed tangible asset acquisition (BGN/person)	1,040	1,165	n.a.	2,750
Cumulative foreign direct investment in non-financial enterprises (EUR/person)	891	969	n.a.	3,560
Share of households with Internet (%)	54.8	67.8	66.8	75.1
Share of roads in good condition (%)	45.8	37.8	41.0	41.4
Density of the road network (km/100 sq.km territory)	18.0	18.0	18.3	17.9
AIP active transparency rating of the local self-government (%)*	72.8	74.0	77.9	70.7

Indicators of social development	2017	2018	2019	National average
Natural population growth rate (‰)	-13.2	-11.5	-13.1	-6.7
Net migration rate (‰)	-4.5	-5.0	-5.8	-0.3
Average grade in the matriculation exam in Bulgarian language and literature**	3.98	4.00	4.19	4.20
Average grade in the external exam in mathematics at the end of 7 th grade (points)**	26.0	29.7	29.8	36.3
Number of teachers in primary and secondary schools per 1,000 students	77	79	86	89
Net enrolment of the population in 5 th -8 th grade (%)	92.4	90.6	88.6	86.6
Share of people with health insurance (%)	90.4	90.5	92.0	88.8
Population per one GP (number of people)	1,348	1,464	1,476	1,688
Registered crimes against the person and property per 1,000 people	12.8	12.7	11.2	11.1
Workload of criminal judges in office (cases/month)	10.9	12.0	9.9	9.1
Share of the population with access to public sewerage networks (%)	69.0	69.1	n.a.	76.2
Generated household waste per capita (kg/person/year)	354	332	n.a.	409
Share of household waste handed over for treatment and recycling (%)	0.9	11.3	n.a.	70.9
Visits to the cinema per 1,000 persons	114	112	183	659
Visits to the theater per 1,000 persons	94	96	161	362

* The data for 2019 are included in the 2020 study. The same also applies for the previous years.

** The data refer to the 2019-2020 academic year while the matriculation exam was held in 2020. The same also applies for the previous years.