

# Pernik District

▶ Population (2019)	119,190
▶ Territory (sq. km)	2,394.2
▶ Number of settlements	171
▶ Share of urban population (%)	79.5



In 2018, GDP per capita in Pernik district grew at a rate twice the national average, although it remained far below the average level. Salaries and incomes have also been rising fast, which has had a positive effect on the relatively low poverty rates in the district. In 2019 the labor market also gathered a lot of momentum. Economic activity recorded a serious growth, accompanied by a simultaneous rise both in employment and unemployment rates. Population ageing, however, still remains a major challenge facing the local labor market. Investment activity is relatively weak. The average rate of the local taxes in the municipalities of Pernik district is relatively low. The transparency of the local administration is estimated as relatively poor.

The problem of population ageing is particularly conspicuous in Pernik district. The natural growth rate is twice as low as the national average. The shares of repeaters and dropouts from primary and secondary school remain lower than the national averages. The district is relatively well provided with GPs, but specialist physicians are relatively insufficient in number. Beds in the local general hospitals are also less than half the national average, and Pernik is also the district with the smallest relative number of hospitalizations. The workloads of criminal judges are still small in national terms, which affects the speed of delivery of justice. A considerable amount of household waste is handed over for treatment and recycling. Pernik is one of the districts with the least active cultural life.

## ECONOMIC DEVELOPMENT



## SOCIAL DEVELOPMENT



## ECONOMIC DEVELOPMENT ■■■■■

### Income and living standard ■■■■■

In 2018, GDP per capita in Pernik district grew at the rate of 18.3%, which is double the national average rate of 9.3%. Nevertheless, its nominal value of 9,200 BGN remained far below the country's average of 15,600 BGN. Salaries and incomes have also been rising fast. The average gross annual salary in the district reached 10,300 BGN, compared to 13,800 BGN on average nationwide, and in 2019 the income per household member grew by 12%, compared to 8% in the country, to reach 7,049 BGN per year, against 6,013 BGN countrywide. The explanation for this difference is that salary data are based on place of employment, and those on household income – on place of residence. In other words, when people are resident in Pernik but are working in Sofia (capital city), this has a positive effect on the data for household income but not on salary data.

The comparatively high incomes in the district also result in relatively low poverty levels. In 2019, the share of the population living with material deprivation amounted to 18.8%, compared to 19.9% in the country, while that of the people living below the poverty line was 14.2%, versus 22.6% nationally.

### Labor market ■■■■■

In 2019 the labor market in Pernik district picked up a lot of momentum. Economic activity marked a serious growth of 7 p.p. and reached 79.1%, considerably surpassing the national average of 74.3%. This growth was accompanied by a parallel rise in employment and unemployment rates. The employment rate reached 70.9%, and for the first time in five years exceeded the average rate in the country (70.1%). The unemployment rate rose slightly to 8.2%, versus the national average of 4.2%.

Characteristic of the workforce in Pernik district is the relatively large share of people with secondary education. While on a national scale a little over half the population have secondary education, in Pernik district they constitute almost 2/3, while the shares of both university graduates and people with primary or lower education are smaller.

A major challenge facing the local labor market continues to be the problem of population ageing. The population replacement ratio of those aged 15-19 to those aged 60-64 has dropped to 47.7%. Thus, for every 100 adults who will leave the workforce in the next few years, there are about 48 young people who will join the workforce.

### Investment and economy ■■■

Investment activity in Pernik district is relatively weak. The region's proximity to the capital affects both the number of enterprises and the investment attracted into it. In 2018, there were 45 enterprises per 1,000 people, compared to 59 per 1,000 people

in the country. Both FTA expenditure and FDI amounted to less than half the respective national averages.

This also explains the relatively low production value in Pernik district – 17,500 BGN/person, compared to an average of 25,900 BGN/person nationwide.

The amounts of utilized European funds in the district were also half the national average. As of 15 June 2020 beneficiaries under EU operational programs received payments of 1,026 BGN/person on average, compared to 1,976 BGN/person on a national level.

### Infrastructure ■■■■■

In 2019, the density of the road and railroad networks in Pernik district remained considerably higher than the national average. The share of highways and first-class roads was still comparatively low – 15.8%, against 18.6% in the country; however, the quality of the roads was relatively good. The share of road surfaces in good condition was 46.9%, against the national average of 41.1%.

The relative share of households with internet access has been rising but still remains relatively limited – 68.8%, versus the average of 75.1% nationally.

### Local taxes ■■■■■

The average level of local taxes in the municipalities of Pernik district again remained relatively low in 2020. What is more, the average rates of all five monitored taxes were lower in the district than in the country, and in 2020 all of them remained without change. The tax rate on taxi transportation was 40% lower – 300 BGN per annum, against 498 BGN nationally. The local taxes on motor vehicles and retail trade were also over 20% less than the average national ones.

### Administration ■■■■

Following the trend in the country, the cadastral map coverage in Pernik district has increased and in 2019 it included almost 100% of its territory.

The local authorities' self-assessment on the development of e-administration and on the provision of one-stop shop services improved in 2020, though with ratings below the country's average. The 2020 AIP Active transparency ratings of the local administration were also lower – 62%, compared to the national average of 71%. Within the district, the highest ratings were achieved by the municipality of Breznik, and the lowest ones were given to the Zemen municipality.

## SOCIAL DEVELOPMENT

### Demography

The problem of population ageing is particularly conspicuous in Pernik district. While over the past eight years the natural growth rate had fluctuated between  $-11\%$  and  $-12\%$ , in 2019 it took a sharp drop to  $-13.1\%$ , or twice lower than the national average of  $-6.7\%$ . Out-migration from the district is also rising but remains at a relatively low level. The net migration rate has reached  $-0.9\%$ .

Evidence of population ageing in the district can be found in the extremely high age dependency ratios. In 2019, the ratio of people aged 65+ to those aged 0-14 years reached 204%, compared to 150% in the country on average, and to those aged 15-64 years – 40.9%, versus 33.8% nationwide.

A relatively large share of the district's population lives in urban areas – 79.5%, compared to 73.7% in the country, but population density remains lower than the national average – 917 persons/sq.km, while nationally it is 1,510 persons/sq.km.

### Education

The enrolment rate in 5<sup>th</sup>-8<sup>th</sup> grades continues to be higher than the national average and in 2019 it rose even further. The shares of repeaters and dropouts from primary and secondary school have also been on the increase but remain lower than the national averages. In 2019, repeaters made up 0.46% of the students, against 0.89% in the country.

Students' results for 2020 again present a mixed picture. The average score at the external assessment in mathematics after 7<sup>th</sup> grade is relatively low, while the average grade in the matriculation exam in Bulgarian language and literature comes close to the national one. For the second year in a row, the share of "fail" grades (below 3.00) is smaller than the national average.

For the third consecutive year the relative number of teachers in primary and secondary education has been increasing and remains higher than the national average, with 97 teachers per 1,000 students, compared to 89 teachers per 1,000 students nationally.

There is one university on the district's territory, but the students enrolled in it amount to a bare 1 per 1,000 persons, against 32 per 1,000 persons nationally. The small number of students can be explained with Pernik's proximity to the capital.

### Healthcare

The share of people with health insurance in Pernik district continued to increase in 2019 and sustained a level above the national average. The district is relatively well provided with GPs (1,490 persons per doctor compared to 1,688 persons per doctor in the country), but there are relatively few specialist physicians. The beds in the local general hospitals are less than half the average national numbers. In 2019, they were 247 per 100,000 persons, compared to 550 per 100,000 persons in the country. In 2019, Pernik again was the district with the lowest relative num-

ber of hospitalizations – 102 per 1,000 persons, compared to 254 per 1,000 persons nationwide. This fact, as well as the relatively limited number of beds in the local hospitals, is probably related to the district's proximity to the capital, in whose large metropolitan hospitals the population tends to seek medical care.

### Public order and security

The workloads of the local criminal judges in Pernik district continue to be smaller than the national average. The figures for 2019 show an average of 6.3 cases a month per one judge, compared to 9.1 cases nationally. This has a positive effect on the speed of the delivery of justice. The share of criminal cases closed within 3 months is 95%, compared to the average of 90% nationwide, while pending cases make up 5%, against 10% in the country.

The relative number of registered crimes in Pernik district is slightly higher than the national average, and the detection rate slightly lower. In 2019 there were 11.8 crimes against the person and property per 1,000 persons, versus an average of 11.1 crimes per 1,000 persons nationwide. The detection rate rose to 51.5%, against 52.1% for the country on average.

### Environment

Carbon dioxide emissions in the district are relatively small – 175 t/sq.km of territory, against 275 t/sq.km in the country.

The amounts of household waste generated in the district have continued to increase and in 2018, for the first time in four years, they reached levels above the national average. At the same time, however, a considerable part of these amounts went out for treatment and recycling – 86%, compared to the national average of 71%.

The share of population with access to public sewerage networks and of the households with sewerage connected to waste water treatment plants have remained practically unchanged since 2010, with both indicators placing Pernik district above the respective national averages.

### Culture

Pernik is among the districts with the least active cultural life. Interest for theaters has been rising, but remains well below the national average rates. In 2019, visits to the local theaters amounted to 65 per 1,000 persons, compared to 362 per 1,000 persons in the country. Museums attracted 318 visits per 1,000 persons, against 770 per 1,000 persons nationally, and libraries – 234 visits per 1,000 persons, while the national average was 683 per 1,000 persons.

The absence of an active cultural life in the district can again be attributed to its proximity to the capital.

## Key indicators for the district of Pernik

Indicators of economic development	2017	2018	2019	National average
GDP per capita (BGN, current prices)	7,735	9,153	n.a.	<b>15,615</b>
Average annual income per household member (BGN)	6,269	6,269	7,049	<b>6,013</b>
Average annual gross salary per employed person (BGN)	9,321	10,321	n.a.	<b>13,775</b>
Share of the poor relative to the national poverty line (%)	n.a.	11.9	14.2	<b>22.6</b>
Employment rate of the population aged 15-64 (%)	66.5	66.7	70.9	<b>70.1</b>
Unemployment rate of the population aged 15-64 (%)	7.2	7.5	8.2	<b>4.2</b>
Share of the population aged 25-64 with primary or lower education (%)	10.5	12.4	13.4	<b>17.6</b>
Share of the population aged 25-64 with tertiary education (%)	19.9	23.8	21.4	<b>28.0</b>
Production value (BGN/person)	14,977	17,525	n.a.	<b>25,855</b>
Expenditure on fixed tangible asset acquisition (BGN/person)	1,055	1,109	n.a.	<b>2,750</b>
Cumulative foreign direct investment in non-financial enterprises (EUR/person)	1,658	1,647	n.a.	<b>3,560</b>
Share of households with Internet (%)	67.9	67.7	68.8	<b>75.1</b>
Share of roads in good condition (%)	46.7	46.7	46.9	<b>41.4</b>
Density of the road network (km/100 sq.km territory)	24.0	24.0	23.8	<b>17.9</b>
AIP active transparency rating of the local self-government (%)*	54.2	63.0	61.8	<b>70.7</b>

Indicators of social development	2017	2018	2019	National average
Natural population growth rate (‰)	-12.4	-11.9	-13.1	<b>-6.7</b>
Net migration rate (‰)	1.4	-0.7	-0.9	<b>-0.3</b>
Average grade in the matriculation exam in Bulgarian language and literature**	4.03	4.04	4.13	<b>4.20</b>
Average grade in the external exam in mathematics at the end of 7 <sup>th</sup> grade (points)**	26.8	29.6	28.7	<b>36.3</b>
Number of teachers in primary and secondary schools per 1,000 students	86	90	93	<b>89</b>
Net enrolment of the population in 5 <sup>th</sup> -8 <sup>th</sup> grade (%)	90.5	90.7	91.6	<b>86.6</b>
Share of people with health insurance (%)	89.3	89.7	91.0	<b>88.8</b>
Population per one GP (number of people)	1,415	1,502	1,490	<b>1,688</b>
Registered crimes against the person and property per 1,000 people	13.9	13.7	11.8	<b>11.1</b>
Workload of criminal judges in office (cases/month)	6.5	4.9	6.3	<b>9.1</b>
Share of the population with access to public sewerage networks (%)	79.1	79.4	n.a.	<b>76.2</b>
Generated household waste per capita (kg/person/year)	416	472	n.a.	<b>409</b>
Share of household waste handed over for treatment and recycling (%)	100.0	86.3	n.a.	<b>70.9</b>
Visits to the cinema per 1,000 persons	0	0	0	<b>659</b>
Visits to the theater per 1,000 persons	61	15	65	<b>362</b>

\* 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.