

Veliko Tarnovo District

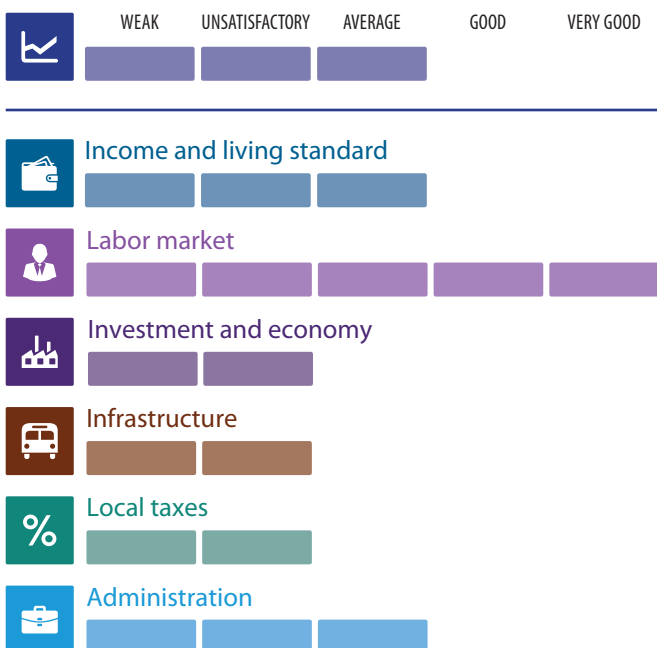
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|---------------------------------|---------|
| ▶ Population (2019) | 232,568 |
| ▶ Territory (sq. km) | 4,661.6 |
| ▶ Number of settlements | 336 |
| ▶ Share of urban population (%) | 70.7 |



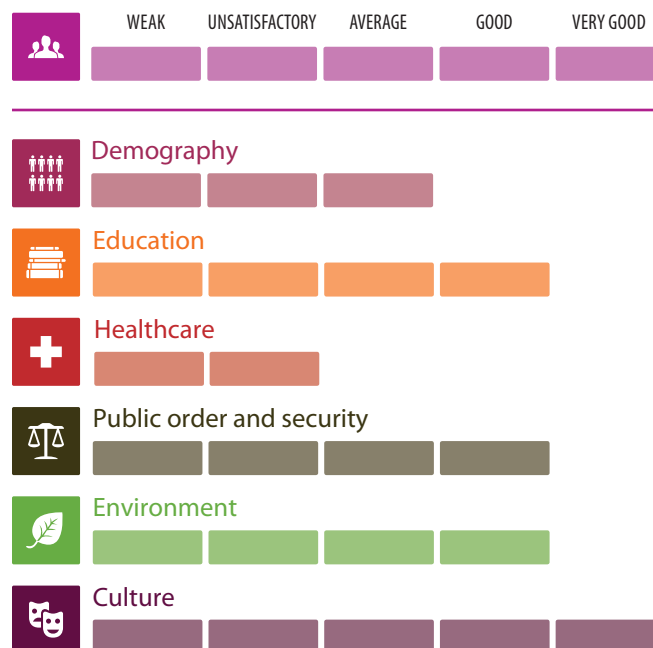
GDP per capita in the district of Veliko Tarnovo rose considerably in 2018 but it still remained well below the national average. The positive developments in the economy and in household income resulted in the reduction of poverty levels in the region. Labor market indicators continued to improve in 2019, placing the district among the top-ranking ones in the country. Local tax rates were relatively high. The AIP Active transparency ratings of the local administration achieved ratings comparable to the national averages. The deterioration of the demographic indicators in Bulgaria is particularly pronounced in Veliko Tarnovo district. It did better in the educational sphere. The propor-

tion of university students has been falling faster than in the country as a whole but remained twice as high as the national average. The district's poor performance in the area of healthcare is determined by the shortage of doctors and beds in the local hospitals. The workloads of criminal judges are small, yet this has not resulted in faster delivery of justice. The crime rate in the district of Veliko Tarnovo is relatively low and detection is high. Practically all generated household waste is handed over for treatment and recycling. With its active cultural life, Veliko Tarnovo district was among the top-ranking ones in 2019, with only the capital and Gabrovo performing better.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT

Income and living standard

In 2018, GDP per capita in the district of Veliko Tarnovo rose by 12.8% to reach 10,400 BGN but in spite of this considerable increase, it still remained well below the national average GDP rates of 15,600 BGN. Salaries also continued to increase, reaching a gross annual average of 10,500 BGN, compared to the national average of 13,800 BGN. Annual incomes per household member have been fluctuating in the past few years and in 2019 the figure was 5,707 BGN, against 6,013 BGN as the country's average.

With the positive tendencies in the economy and the growth in the level of salaries, poverty rates in the region fell in 2019. The proportion of people living in material deprivation declined by 2 p.p. to 25%, against 20% nationwide, and of those living below the poverty line – by 3 p.p. to 25.8%, versus the national average of 22.6%.

Labor market

The indicators for the labor market in the region continued to improve in 2019, placing Veliko Tarnovo district among the top-ranking ones in the country. Economic activity rose by 10 p.p. to reach 81%, which was the highest figure in Bulgaria. Accompanying this growth was a big rise in employment rates and a sharp shrinkage of unemployment. Employment figures reached 78.7%, again the highest ones in the whole country, while unemployment rates fell to 2.0% – half the national average.

As regards the population's educational levels, the indicators also show a favorable tendency. The share of the population with higher education was 30%, above the national average of 28%. The proportion of the population with primary or lower education was 9%, whereas on a national scale the figure was 18%.

Population ageing is still a problem for the district of Veliko Tarnovo. The demographic replacement ratio (the ratio between people aged 15-19 and those aged 60-64) is 61%, against the national average of 66%. Thus every 100 people who will leave the labor market in the next few years could be replaced by 61 young people joining it.

Investment and economy

In 2018 the district of Veliko Tarnovo performed poorly in the area of investment activity. The relative number of enterprises rose but still remained far below the national average. Local and foreign investment recorded persistently low levels, with only an insignificant increase. FTA expenditures reached 1,816 BGN/person, versus the national figure of 2,750 BGN/person, and FDI per capita was among the lowest in the country – 597 EUR/person, six times lower than the national average of 3,560 EUR/person.

The relatively small number of enterprises and limited investment determine the low production value. In 2018 it

was 14,500 BGN/person, versus the national average of 25,900 BGN/person.

In terms of the utilization of EU funding, Veliko Tarnovo also falls behind the other districts. By 15 June 2020 the payments made in the district under operational programs amounted to 1,578 BGN/person, compared to the national average of 1,976 BGN/person. Within the district, the best utilization figures were achieved by the municipalities of Svishtov and the city of Veliko Tarnovo.

Infrastructure

Veliko Tarnovo's central position in northern Bulgaria accounts for the great density of its road and railroad networks. Nevertheless, the share of highways and first-class roads is low – 16%, against 19% as the country's average. Road quality is also relatively unsatisfactory and although in 2019 the share of road surfaces in good condition rose sharply to 38%, it was still lower than the national average of 41%.

The relative share of households with internet access (63.0%) remained limited against the national average of 75.1%.

Local taxes

The average tax rates in the Veliko Tarnovo municipalities remain high. The greatest margin was in the non-residential immovable property tax for legal entities. In 2020 it was raised further and its average rate reached 2.50‰, whereas in the country in general it was 2.01‰. The highest rise was recorded in Lyaskovets municipality.

The district municipalities also imposed higher than average taxes on motor vehicles and on non-gratuitous acquisition of property.

Slightly lower than the national averages were the local retail license taxes. The average annual tax rate imposed by the municipalities in the district for taxi transportation was also relatively lower – 410 BGN, versus the national average of 498 BGN.

Administration

In 2019, almost the entire territory of Veliko Tarnovo district was covered by the cadastral map.

In 2020, the local authorities' self-assessment on the development of their e-services remained higher than the national average, but that on the provision of one-stop shop administrative services still fell below the average national figures.

The AIP Active transparency ratings of the local administration for 2020 declined from 73% to 71% to equal the national average (71%). The highest ratings in the district of Veliko Tarnovo were achieved by the municipalities of Strazhitsa, Veliko Tarnovo and Gorna Oryahovitsa, and the lowest ones by that of Suhindol.

SOCIAL DEVELOPMENT

Demography

In 2019, the deterioration in the demographic indicators was particularly noticeable in Veliko Tarnovo district, continuing the negative tendency from earlier years. The low birth rate affected the natural population growth rate, which fell further to -10.1% , versus the national average of -6.7% . Great numbers of people moved out of the district, resulting in a net migration figure that was also negative (-3.4%). The negative effect of these processes is visible in the age dependency ratios, which indicate that in the district of Veliko Tarnovo the population continues to age.

In 2019, the share of population living in urban areas was 71% and remained slightly lower than the national average of 74%, while the density of the population was smaller – 1,050 persons/sq.km against 1,510 persons/sq.km nationally.

Education

In the field of education, Veliko Tarnovo district has been performing relatively well. The figures for net enrolment in 5th-8th grade are almost equal to the national averages. The number of primary and secondary school teachers has continued to rise and in 2019 they reached 98 per 1,000 students, while country-wide the figure was 89 per 1,000 students. The share of repeaters remained below the national average, although there were more dropouts from primary and secondary education.

The scores achieved by the students in the district in 2020 also remained close to the national averages. The district's average score in the external examination in mathematics at the end of 7th grade reached 33.4 points, compared to 36.3 points in the country. Results in the matriculation exams in Bulgarian language and literature were also relatively high: 4.28, versus 4.20 nationally, while the share of "fail" (below 3.00) grades was 7.1%, against 8.2% nationwide.

The number of university students in Veliko Tarnovo district dropped faster than the national average in 2019 but still remained twice as high: 67 per 1,000 persons, versus 32 for the country on average.

Healthcare

As in previous years, the unsatisfactory performance of the district in the category of healthcare is due to the shortage of both doctors and beds in the local hospitals. And while in the proportion of GPs compared to the country's average for 2019 the difference is not too great – 1,736 persons per GP against 1,688 persons per GP nationwide, the shortage of specialist physicians is more pronounced. The relatively low availability of hospital beds is also a limiting factor for the population's access to hospital care. The local general hospitals have 326 beds per 100,000 persons, while the national average is 550 per 100,000 persons.

The impact of the above is reflected in the hospitalization numbers. In 2019 they declined to 150 per 1,000 persons, com-

pared to 254 per 1,000 persons as the national average. The likely explanation for this relatively low figure is that the local population seeks medical care outside Veliko Tarnovo district.

Public order and security

The workloads of criminal judges in 2019 were among the lowest in the country, with an average of 6.6 cases a month per one judge, compared to 9.1 nationally. At the same time, delivery of justice in Veliko Tarnovo district was not faster than average and the share of criminal cases closed within 3 months was 90%, exactly the same as the national average.

The number of crimes registered in 2019 again was relatively low and detection rates high. For the second consecutive year, the figures for registered crimes against the person and property continued to decrease, reaching 9.2 per 1,000 persons, versus 11.1 per 1,000 persons nationwide. Conversely and again for the second year in a row, the rate of detection of crimes registered throughout the same year rose to 61.4%, against the national figure of 52.1%.

Environment

Carbon emissions into the atmosphere in the district of Veliko Tarnovo in 2018 were 37 t/sq.km, or 7 times lower than the national average.

The relatively small share of the population living in urban areas is a factor that affects its access to public sewerage systems. In 2018, 68.4% of the people living in the district of Veliko Tarnovo were connected to public sewerage, against the national average of 76.2%. Access to wastewater treatment plants was available to 60.2% of the population, versus 63.9% across the country on average.

The amounts of waste generated by households kept rising, with figures above the national averages, but almost all of them were handed over for treatment and recycling, whereas the national figure was 71%.

Culture

Veliko Tarnovo is among the districts with the most active cultural life, outranked only by Sofia (capital city) and Gabrovo. This is due to the high and still rising numbers of visits to the local museums and libraries. Museum visits reached 2,346 per 1,000 persons and were 3 times higher than the national average of 770 per 1,000 persons. Library visits were even higher in number – 2,649 per 1,000 persons, which is 4 times as high as the national figure of 683 per 1,000 persons.

Visits to local theaters and cinemas remained half the national average in 2019. Visits to cinemas fell to 319 per 1,000 persons versus the national average of 659 per 1,000 persons. Theater visits underwent a slight increase to 146 per 1,000 persons, while the average figure for the country was 362 per 1,000 persons.

Key indicators for the district of Veliko Tarnovo

| Indicators of economic development | 2017 | 2018 | 2019 | National average |
|--|--------|--------|-------|------------------|
| GDP per capita (BGN, current prices) | 9,254 | 10,434 | n.a. | 15,615 |
| Average annual income per household member (BGN) | 6,024 | 6,024 | 5,707 | 6,013 |
| Average annual gross salary per employed person (BGN) | 9,665 | 10,529 | n.a. | 13,775 |
| Share of the poor relative to the national poverty line (%) | n.a. | 28.8 | 25.8 | 22.6 |
| Employment rate of the population aged 15-64 (%) | 66.3 | 66.6 | 78.7 | 70.1 |
| Unemployment rate of the population aged 15-64 (%) | 4.6 | 5.4 | 2.0 | 4.2 |
| Share of the population aged 25-64 with primary or lower education (%) | 14.6 | 13.0 | 8.9 | 17.6 |
| Share of the population aged 25-64 with tertiary education (%) | 22.1 | 26.8 | 29.6 | 28.0 |
| Production value (BGN/person) | 13,281 | 14,517 | n.a. | 25,855 |
| Expenditure on fixed tangible asset acquisition (BGN/person) | 1,582 | 1,816 | n.a. | 2,750 |
| Cumulative foreign direct investment in non-financial enterprises (EUR/person) | 557 | 597 | n.a. | 3,560 |
| Share of households with Internet (%) | 66.4 | 66.6 | 63.0 | 75.1 |
| Share of roads in good condition (%) | 26.1 | 29.7 | 38.2 | 41.4 |
| Density of the road network (km/100 sq.km territory) | 20.1 | 20.1 | 20.1 | 17.9 |
| AIP active transparency rating of the local self-government (%)* | 69.3 | 73.0 | 70.8 | 70.7 |

| Indicators of social development | 2017 | 2018 | 2019 | National average |
|--|-------|-------|-------|------------------|
| Natural population growth rate (‰) | -9.1 | -9.4 | -10.1 | -6.7 |
| Net migration rate (‰) | -3.9 | -5.0 | -3.4 | -0.3 |
| Average grade in the matriculation exam in Bulgarian language and literature** | 3.96 | 4.05 | 4.28 | 4.20 |
| Average grade in the external exam in mathematics at the end of 7 th grade (points)** | 26.5 | 30.1 | 33.4 | 36.3 |
| Number of teachers in primary and secondary schools per 1,000 students | 90 | 93 | 98 | 89 |
| Net enrolment of the population in 5 th -8 th grade (%) | 88.0 | 84.0 | 85.7 | 86.6 |
| Share of people with health insurance (%) | 83.6 | 83.9 | 85.3 | 88.8 |
| Population per one GP (number of people) | 1,649 | 1,746 | 1,736 | 1,688 |
| Registered crimes against the person and property per 1,000 people | 12.1 | 10.1 | 9.2 | 11.1 |
| Workload of criminal judges in office (cases/month) | 6.7 | 7.2 | 6.6 | 9.1 |
| Share of the population with access to public sewerage networks (%) | 67.1 | 68.4 | n.a. | 76.2 |
| Generated household waste per capita (kg/person/year) | 378 | 425 | n.a. | 409 |
| Share of household waste handed over for treatment and recycling (%) | 95.9 | 99.8 | n.a. | 70.9 |
| Visits to the cinema per 1,000 persons | 530 | 408 | 319 | 659 |
| Visits to the theater per 1,000 persons | 148 | 143 | 146 | 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.