

# Shumen District

▶ Population (2020)	172,022
▶ Territory (sq. km)	3,389.7
▶ Number of settlements	151
▶ Share of urban population (%)	59.9



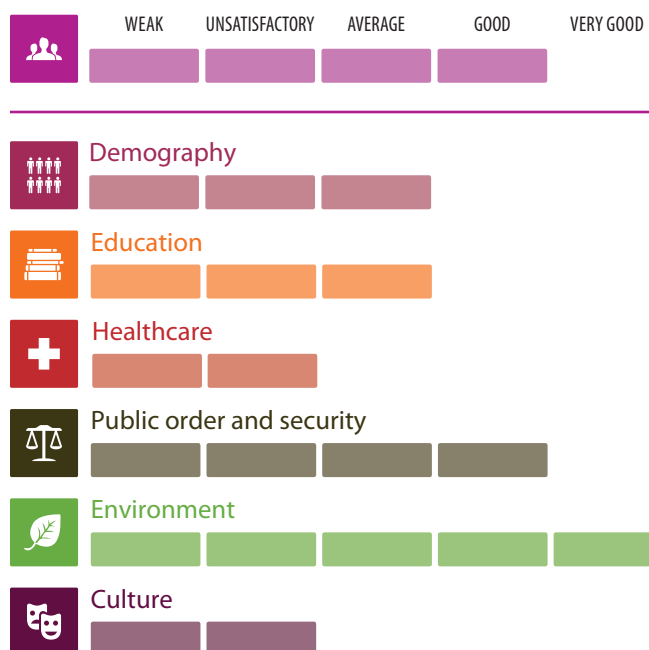
The growth of GDP, incomes and salaries in Shumen district has continued, though it is not sufficient for convergence with the respective national averages. Poverty levels are relatively high. Unemployment is still the main problem facing the local labor market. Investment activity remains relatively low. FTA acquisition expenditures and FDI stocks have recorded a decrease. Shumen is the district with the highest share of first-class roads and highways in the country. The municipalities in the district have kept local taxes relatively low. In 2021 there was an improvement in the self-assessments of the local administrations for the development of e-government and the provision of one-stop shop administrative services but they remained relatively low.

Population ageing in Shumen district is accelerating relatively fast. Students' performance is still poor. Healthcare suffers from a shortage of doctors and hospital beds. The number of hospitalizations is much below the country's average. The workloads of the local criminal judges remain low and this has a favorable effect on the speed of delivery of justice. The crime rate in the district continues to fall, and the detection rate to rise. The high assessment of Shumen district in the environment category is due mostly to the low volumes of household waste and its management. The pandemic and the restrictions on cultural events in 2020 have had a negative impact on the district's cultural life.

## ECONOMIC DEVELOPMENT



## SOCIAL DEVELOPMENT



## ECONOMIC DEVELOPMENT ■■■■

### Income and living standard ■■■■

The growth of GDP per capita in Shumen district has continued, reaching 10,200 BGN/person in 2019 and placing the district in the middle lower half of the ranking scale for this indicator. Incomes and salaries have also continued to rise, but they too remain below the respective national averages. The average gross annual salary of employed people was 12,100 BGN, versus 15,200 BGN in the country, and the average income per household member was 5,300 BGN, compared to 6,000 BGN per household member nationally.

Shumen continues to face significant problems with poverty levels. The share of the population below the national poverty line is 29.1%, compared to 22.6% in the country, and that of people living with material deprivation – 18.5%, compared to 19.9% nationally.

### Labor market ■■■■

Economic activity in the district has continued to increase and in 2020 it was among the highest in Bulgaria, reaching 77.8%, compared to 73.7% in the country. Employment maintained its level – 66.5%, compared to 68.5% in the country, but the unemployment rate increased to 11.3%, against 5.2% in the country.

The population replacement rate as a ratio of the population aged 15–19 to that aged 60–64 has decreased to 66.3%, compared to 67.1% in the country. This means that for every 100 people who are about to leave the labor market, there are 66 young people who will join the workforce.

A challenge facing the labor market in Shumen district is the educational structure of the workforce. The share of people aged 25–64 with primary or lower education has decreased slightly to 27.1%, but is still above the national average of 16.9%. The share of people with a university degree has also increased, reaching 24.6%, compared to 29.2% in the country.

### Investment and economy ■■■■

Investment activity in Shumen district remained relatively low in 2019. The number of enterprises in Shumen was small – 41 per 1,000 persons, against 61 per 1,000 persons nationally. FTA acquisition expenditures, as well as FDI recorded a decrease and they remained considerably lower than in the country. FTA acquisition expenditures amounted to 1,804 BGN/person, compared to 3,155 BGN/person in the country, and FDI was 665 EUR/person, compared to 3,655 EUR/person in the country.

The above figures have resulted in relatively low production volumes – 16,700 BGN/person, compared to 28,000 BGN/person nationally.

The district has also underperformed as regards the utilization of European funds. By 15 June 2021, payments made in the dis-

trict to beneficiaries of EU operational programs amounted to 1,690 BGN/person, while the national average was 2,217 BGN/person. Within the district, the highest amounts were utilized by the municipality of Novi Pazar.

### Infrastructure ■■■■■■

The density of the road and railway networks in Shumen district is higher than the national average. Shumen is also the district with the largest share of first-class roads and highways in the country for 2020 – 36.4%, compared to 18.5% in the country. Road quality also continues to be higher than the national average, with road surfaces in good condition making up 45.9%, versus 41.4% in the country in 2019.

Household access to the internet increased to 82.5% in 2020 and was among the highest in the country. The share of households connected to a gas supply is identical to the national average – 3.1%. The installed RES capacity is significantly below the national average.

### Local taxes ■■■■■■

The municipalities in Shumen district again kept the levels of local taxes relatively low in 2021. The rates higher than the respective national averages were those on non-gratuitous acquisition of property and on motor vehicles. At the same time, the taxes on taxi transportation, immovable real estate for legal entities and retail trade were significantly lower.

### Administration ■■■■

In line with the progress made throughout the country, the coverage of the cadastral map in Shumen has increased significantly in recent years and in 2019 it already included 90.2% of the district's territory, against 90.4% nationally.

The self-assessments of the local administrations for the development of e-government and the provision of one-stop shop services improved in 2021 but remained relatively low.

Similarly, the transparency ratings of the municipalities in the district went up, though remaining relatively low. In 2021, the average AIP active transparency rating in the district was 66.4%, compared to 73.2% nationally. Within the district, the highest ratings were achieved by the municipalities of Hitrino, Smyadovo and Nikola Kozlevo.

## SOCIAL DEVELOPMENT

### Demography

In 2020, population ageing in Shumen district went on accelerating relatively quickly. The natural population growth rate dropped to  $-11\text{‰}$ , compared to  $-9.5\text{‰}$  nationally. At the same time, the district continued to attract new residents in 2020 and the net migration rate remained positive for the third consecutive year, reaching  $8.2\text{‰}$ .

The age dependency rate as a ratio between the population aged 65+ to those aged 0–14 reached 160.3%, compared to the national average of 150.6%, and to the 15–19 age group it was 34.4%, versus 34.1% in the country.

The share of urban population has continued to decline and in 2020 it dropped to 59.9%, versus the national average of 72.9%. Its density also remains low – 885 persons/sq. km in 2019, compared to 1,506 people/sq. km on average countrywide.

### Education

The coverage of the education system has been declining and moving further away from the national average. In 2020, the net enrolment in 5th–8th grade was 82.4%, against 86.5% nationally. The shares of repeaters and dropouts from primary and secondary education have sustained levels close to the respective national averages. The number of teachers has been on the decrease but remains relatively high. In 2020 their proportion was 93 per 1,000 students, compared to 87 teachers per 1,000 students in the country.

Students' results remained low in 2021. The average score in the external examination in mathematics after 7th grade was 30.4 points, versus 37.9 points in the country. The average grade in the State matriculation exam in Bulgarian language and literature was 3.98, compared to 4.21 in the country, and the share of "fail" grades (below 3.00) was 9.5%, against 7% nationally.

Interest in Shumen University has been gradually declining since 2006, with the number of students dropping from 45 to 38 per 1,000 persons within a decade, though remaining higher than the national average of 32 students per 1,000 persons.

### Healthcare

The healthcare system in Shumen district suffers from a shortage of doctors and hospital beds. The number of doctors – both GPs and specialist physicians – is below the national average. In 2020 there was one GP per 1,911 people, compared to 1,727 people per doctor nationally. The number of beds in the district's general hospitals remained extremely low, with 2.91 beds per 1,000 persons, compared to 5.52 beds per 1,000 people in the country. The number of hospitalizations was much lower than in the country – 108 people per 1,000 persons in 2020, compared to the national average of 138 per 1,000 persons. This suggests that the residents may be seeking medical care outside the district.

Infant mortality was relatively high in 2020, with its rate rising considerably to reach  $8.2\text{‰}$ , compared to the national average of  $5.1\text{‰}$ .

The number of people with health insurance dropped in 2020 and for the first time in ten years fell below the national average.

### Public order and security

The workloads of criminal judges in the district remained low in 2020, which had a favorable effect on the speed of delivery of justice. One criminal judge heard an average of 6.3 cases per month, compared to an average of 8.6 cases per judge in the country. The relative share of criminal cases closed within 3 months reached 93%, against 90% nationally, and the number of pending cases was among the lowest in the country – 5%, against 11% countrywide.

The crime rate in Shumen district has continued to decline and the detection rate to rise. Crimes against the person and property registered in 2020 amounted to 7.9 per 1,000 persons, compared to 9.9 per 1,000 persons nationally. The proportion of cleared crimes was 62.6%, against 52.1% nationally.

### Environment

The positive assessment of Shumen district in the environment category is due mostly to the low volumes of household waste and its management. The amounts of household waste generated in the district were 305 kg/person in 2018, compared to the national average of 409 kg/person, however, 95% of the total generated quantities were handed over for treatment and recycling.

The volumes of carbon dioxide emissions in the atmosphere remained low – 36.3 t/sq. km.

There has been little change in the share of households with access to a public sewerage network, which remains low. In 2019 it reached 58.0%, against 76.4% in the country. The share of households whose sewerage system is connected to a wastewater treatment plant was 54.4%, compared to 64.6% countrywide.

### Culture

The 2020 pandemic and the countrywide restrictions on visits to cultural events had a powerful negative impact on cultural life in the district as well. Cinema visits dropped by 80% to 22 per 1,000 persons, compared to a reduction by 71% and 190 per 1,000 persons nationally. The decline in museum and library visits was more limited – the former by 46%, compared to 58% in the country, and the latter by 27%, against a 30% reduction nationally. Museum visits in 2020 amounted to 623 per 1,000 persons, versus 322 per 1,000 persons in the country, and library visits – 957 per 1,000 persons, compared to 480 per 1,000 persons nationally.

## Key indicators for the district of Shumen

Indicators of economic development	2018	2019	2020	National average
GDP per capita (BGN, current prices)	9,397	10,177	n.a.	<b>17,170</b>
Average annual income per household member (BGN)	4,855	5,347	n.a.	<b>6,013</b>
Average annual gross salary per employed person (BGN)	11,028	12,124	n.a.	<b>15,209</b>
Share of the population living below the national poverty line (%)	38.3	29.1	n.a.	<b>22.6</b>
Employment rate of the population aged 15–64 (%)	64.6	66.6	66.5	<b>68.5</b>
Unemployment rate of the population over 15 years of age (%)	12.0	10.1	11.3	<b>5.2</b>
Share of the population aged 25–64 with primary or lower education (%)	28.9	29.5	27.1	<b>16.9</b>
Share of the population aged 25–64 with higher education (%)	24.0	23.7	24.6	<b>29.2</b>
Production value (BGN/person)	15,681	16,722	n.a.	<b>28,027</b>
Expenditure on the acquisition of fixed tangible assets (BGN/person)	2,106	1,804	n.a.	<b>3,155</b>
Cumulative foreign direct investment in non-financial enterprises (EUR/person)	681	665	n.a.	<b>3,655</b>
Share of households with Internet (%)	70.5	77.3	82.5	<b>78.9</b>
Share of roads in good condition (%)	41.7	45.9	n.a.	<b>41.4</b>
Road network density (km/100 sq. km territory)	18.3	18.2	18.2	<b>17.9</b>
AIP active transparency rating of local government bodies (%)*	66.0	65.4	66.4	<b>73.2</b>

Indicators of social development	2018	2019	2020	National average
Rate of natural increase (‰)	-7.6	-7.4	-11.0	<b>-9.5</b>
Net migration rate (‰)	4.1	6.9	8.2	<b>4.4</b>
Average grade in the State matriculation exam in Bulgarian language and literature**	3.85	3.96	3.98	<b>4.21</b>
Average grade in the National external exam in mathematics after 7th grade (points)**	24.5	29.6	30.4	<b>37.9</b>
Net enrolment of the population in 5th–8th grade (%)	83.6	83.1	82.4	<b>86.5</b>
Number of teachers in primary and secondary schools per 1,000 students	96	95	93	<b>87</b>
Share of population with health insurance (%)	88.6	88.9	87.9	<b>88.7</b>
Population per one GP (number of people)	1,744	1,833	1,911	<b>1,727</b>
Registered crimes against the person and property per 1,000 people	9.6	9.3	7.9	<b>9.9</b>
Workloads of criminal judges in office (cases/month)	6.9	6.2	6.3	<b>8.6</b>
Share of population living in settlements with public sewerage networks (%)	58.2	58.0	n.a.	<b>76.4</b>
Generated household waste per capita (kg/person/year)	305	n.a.	n.a.	<b>409</b>
Share of household waste handed over for treatment and recycling (%)	94.7	n.a.	n.a.	<b>70.9</b>
Visits to cinemas per 1,000 persons	126	111	22	<b>190</b>
Visits to museums per 1,000 persons	1,072	1,162	623	<b>322</b>

\* The data for 2021 are included in the 2021 study. The same also applies for the previous years.

\*\* The data refer to the 2020–2021 academic year while the matriculation exam was held in 2021. The same also applies for the previous years.