Smolyan District

▶ Population (2020)	102,710
▶ Territory (sq. km)	3,192.8
▶ Number of settlements	240
▶ Share of urban population (%)	56.7

Over the last two decades, GDP in Smolyan district has been growing, though at a slower rate than the average one for the country's economy, and so the margin between them has widened. Incomes, however, continue to exceed the national averages, which explains the relatively low poverty levels in the district. Population ageing remains among the major challenges for the continuing development of the local labor market. FTA expenditures per capita have been rising considerably. FDI has remained at persistently low levels. The specific geographic location of the district as a border region and its mountainous terrain account for its relatively underdeveloped infrastructure. Smolyan ranks among the districts with relatively low local tax rates.

The population of the district is among the fastest ageing in the country. Smolyan continues to rank among the leaders in the education category. Its students are very high achievers, the number of teachers is high, and the share of dropouts is low. The share of people with health insurance is among the highest in the country. Access to GPs is also very good. Smolyan district ranks first in the whole of Bulgaria in the public order and security category. Delivery of justice is speedy, the crime rate is low, and the detection rate is high. Against the district's relatively low level of urbanization, the share of its population living in settlements with public sewerage networks is relatively high. The intensity of its cultural life is low.

ECONOMIC DEVELOPMENT

	WEAK	UNSATISFACTORY	AVERAGE	GOOD	VERY GOOD

Income and living standard

Labor market

Investment and economy

Infrastructure

Local taxes

Administration

SOCIAL DEVELOPMENT

	WEAK	UNSATISFACTORY	AVERAGE	GOOD	VERY GOOD

Demography

Education

Healthcare

Public order and security

Environment

Culture

ECONOMIC DEVELOPMENT ▪▪▪▪

💳 Income and living standard ▪▪▪▪

Over the last two decades, GDP in Smolyan district has been growing, though at a slower rate than that of Bulgaria's economy in general. In consequence, the district is increasingly lagging behind the average level in the country by a margin which has gone up from 20% in 2002 to 32% in 2019. In 2019, GDP per capita in the district rose by 10%, (the average national rate) and reached 11,700 BGN. The average gross annual salary of employed people in the district also increased at a rate similar to that in the country but remained below its level – 11,100 BGN in Smolyan, compared to 15,200 BGN nationally.

Household incomes have remained higher than the national average, reaching 6,400 BGN per household member in 2019, compared to 6,000 BGN in the country.

Poverty levels in the district also remained lower in 2019 than the national average. The share of the population living with material deprivation was extremely low – 12.8%, which ranked the district second in the country after the capital. The share of the population living below the national poverty line was 21.2%, versus 22.6% on average countrywide.

👤 Labor market ▪▪▪

In spite of the decrease experienced by almost all of the country's districts in 2020, economic activity in Smolyan continued to grow and remained high – 77.1%, compared to 73.7% in the country. This growth, however, was accompanied by a decline in employment and a rise in unemployment. The employment rate dropped by 1.3 p.p. to 65.2%, against 68.5% on a national scale, while the unemployment rate rose by 3.1 p.p. to 11.9%, compared to the national average of 5.2%.

The educational structure of the workforce in the district has undergone a slight improvement. In 2020 the share of people aged 25–64 with a university degree was 23.5%, against 29.2% nationally, while the number of those with primary or lower education declined to 14.0%, versus the national average of 16.9%.

A huge challenge for the further development of the local labor market continues to be population ageing. Smolyan is the district with the lowest population replacement rate as a ratio of the people aged 15–19 to those aged 60–64, which in 2020 dropped to 40.9%, compared to 67.1% nationwide.

🏭 Investment and economy ▪▪▪

In 2019, the number of registered enterprises went up to reach 52 per 1,000 persons, which, however, was still below 61 per 1,000 persons as the average one for the national economy that year. FTA acquisition expenditures rose by nearly 50%, but in spite of this considerable increase, they still remained below the national average – 2,600 BGN/person in the district, versus 3,200 BGN/person in the country. FDI remained persistently low – 889 EUR/person in the district, against 3,700 EUR/person countrywide.

In 2019 production value in the district also grew but again at a slower rate than in the country, which set the district even further behind the average figure for Bulgaria's economy as a whole.

Utilization of EU funds in Smolyan district has been growing fast and for the first time has exceeded the national average. By 15 June 2021, payments made in the district to beneficiaries under EU operational programs amounted to 2,500 BGN/person, versus 2,200 BGN/person in the country. The leaders in the region are the municipalities of Smolyan city, Rudozem and Zlatograd.

🚌 Infrastructure ▪▪

The specific geographic location of the district as a border region and its mountainous terrain account for its relatively poorly developed infrastructure. Smolyan lacks railroads, highways and first-class roads. The density of its road network remains below the national average. Road quality is relatively good and in 2019 it improved even more, so that the share of roads with surfaces in good condition reached 53.8%, against the country's average of 41.4%.

Households' access to the internet has registered a decrease and in 2020 it went down to 73.6%, versus the national average of 78.9%. The share of households connected to a gas supply is practically nil – 0.02%, compared to 3.1% in the country on average. Installed RES capacity has reached 2.5 kW/person, versus 0.6 kW/person nationally.

% Local taxes ▪▪▪▪

In 2021, Smolyan ranked among the districts with relatively low local taxes. The biggest differences with the respective national averages were observed in the tax on retail trade and motor vehicles. In 2021, the average retail trade tax in the municipalities in Smolyan district was 7.74 BGN/sq. m, versus 12.99 BGN/sq. m in the country. The tax on motor vehicles and passenger cars was 1.37 BGN/kW, compared to 1.54 BGN/kW nationally.

💼 Administration ▪▪▪▪

The self-assessments of the local administration on the development of e-government and the provision of one-stop shop services has continued to improve in the past few years, and in 2021 they already exceeded the respective national averages. The AIP Active transparency rating of the local administration also went up in 2021, but remained below the national average.

SOCIAL DEVELOPMENT ▪▪▪▪

Demography ▪▪

The population of Smolyan district is one of the fastest ageing in the country. 2020 was a year of both a declining birth rate and increasing out-migration. After three years of natural population growth rate between –10‰ and –9‰, in 2020 it experienced a sharp drop to –14.4‰, compared to the national average of –9.5‰. In 2020 the net migration rate increased considerably but its value remained negative at –1.6‰.

The district's age dependency ratios have been deteriorating fast and are considerably more unfavorable than in the country on average. In 2020 the ratio of people aged 65+ to those aged 0–14 reached 220.2%, compared to 150.6% nationally, and to the 15–64 age group it was 40.1%, versus 34.1% countrywide.

The share of urban population in the district is relatively low – 56.7%, against the national average of 72.9%. At the same time, the density of the population remains relatively high.

Education ▪▪▪▪▪

Smolyan continues to rank among the districts with the best performance in education, where it is second only to Sofia (capital city). The net enrolment rate of schoolchildren in 5th–8th grade is one of the highest in the country – 90.8%, compared to the average of 86.5% nationally. The proportion of teachers to students in primary and secondary education is the highest in the country – 120 teachers per 1,000 students in 2020, compared to the national average of 87 teachers per 1,000 students. The share of dropouts from primary and secondary education is the lowest one in Bulgaria. The number of repeaters is also relatively low.

The performance of the district's students in 2021 again exceeded the national average. The average score in the external examination in mathematics at the end of 7th grade was 42.6 points, against 37.9 points nationwide, and was the third highest in the whole country, preceded only by that in the capital and Varna district. The average result in the State matriculation exam in Bulgarian language and literature reached 4.44 in the district, versus 4.21 nationally, and the share of "fail" grades (below 3.00) dropped to 2.4%, against 7.0% nationwide, which ranked Smolyan district second only to the capital.

Smolyan is home to two university branches – one of Varna Free University and the other of Plovdiv University "Paisii Hilendarski". The reported relative number of university students in the district is 14 per 1,000 persons, compared to 32 students per 1,000 persons in the country on average.

Healthcare ▪▪▪▪

Smolyan district performs quite well in the healthcare category. The percentage of people with health insurance is among the highest in Bulgaria and in 2020 it reached 95.6%, compared to 88.7% nationwide. Access to GPs is relatively good, though the number of specialist physicians is still considerably lower than the average one for the country.

Hospital bed capacity dropped to 5.41 per 1,000 persons in 2020. The relative number of patients treated in the local hospitals was high, with 168 per 1,000 persons, versus 138 per 1,000 persons countrywide.

Public order and security ▪▪▪▪▪▪

In 2020, Smolyan was again the top-ranking Bulgarian district in the public order and security category. The workloads of the local criminal judges were the lowest in the country, with a monthly average of 3.6 cases per judge, compared to 8.6 cases nationally. This has had a beneficial effect on the speed of delivery of justice. The share of criminal cases closed within 3 months was the highest in the country – 96%, against 90% nationally.

Smolyan is also one of the districts with the lowest crime rates in the country. Registered crimes against the person and property number 5.2 per 1,000 persons, with 9.9 per 1,000 persons as the national average. At the same time, the detection rate in the district is extremely high – 68.6%, compared to 52.1% countrywide.

Environment ▪▪

Smolyan is among the districts with the lowest volumes of carbon dioxide emissions into the atmosphere. In 2019, 73.1% of the population lived in settlements with a public sewerage network (compared to 76.4% in the country), which is a comparatively high figure in view of the low level of urbanization in the district. However, Smolyan district is still lagging behind in terms of the connectivity of sewerage networks to waste water treatment plants, with a coverage of only 43.1% of the local population, compared to the national average of 64.6%.

The amounts of household waste generated in the district are relatively small – 301 kg/person per year, against 409 kg/person on a national scale. The figures for the share of this waste handed over for treatment and recycling have fluctuated significantly over the past few years.

Culture ▪

Cultural life in Smolyan district is characterized by its low intensity. In 2020, it also suffered the effects of the pandemic and the nationwide restrictions on cultural events. Cinema visits dropped by 74% to 38 per 1,000 persons, while nationwide they fell by 71% to 190 per 1,000 persons, and library visits decreased by 34% to 131 per 1,000 persons, compared to the drop of 30% to 480 per 1,000 persons nationwide. The reduction in museum visits was smaller – by 38%, against 58% in the country, but the numbers remained very low – 96 per 1,000 persons, compared to 322 per 1,000 persons in the country.

Key indicators for the district of Smolyan

Indicators of economic development	2018	2019	2020	National average
GDP per capita (BGN, current prices)	10,597	11,681	n.a.	**17,170**
Average annual income per household member (BGN)	6,127	6,354	n.a.	**6,013**
Average annual gross salary per employed person (BGN)	10,145	11,106	n.a.	**15,209**
Share of the population living below the national poverty line (%)	20.9	21.2	n.a.	**22.6**
Employment rate of the population aged 15–64 (%)	67.7	66.5	65.2	**68.5**
Unemployment rate of the population over 15 years of age (%)	10.5	8.8	11.9	**5.2**
Share of the population aged 25–64 with primary or lower education (%)	15.3	14.3	14.0	**16.9**
Share of the population aged 25–64 with higher education (%)	22.5	23.5	23.5	**29.2**
Production value (BGN/person)	14,914	15,866	n.a.	**28,027**
Expenditure on the acquisition of fixed tangible assets (BGN/person)	1,738	2,591	n.a.	**3,155**
Cumulative foreign direct investment in non-financial enterprises (EUR/person)	860	889	n.a.	**3,655**
Share of households with Internet (%)	73.0	82.4	73.6	**78.9**
Share of roads in good condition (%)	49.1	53.8	n.a.	**41.4**
Road network density (km/100 sq. km territory)	16.9	16.9	16.9	**17.9**
AIP active transparency rating of local government bodies (%)*	67.0	67.5	72.2	**73.2**

Indicators of social development	2018	2019	2020	National average
Rate of natural increase (‰)	−9.4	−9.7	−14.4	**−9.5**
Net migration rate (‰)	−8.1	−8.4	−1.6	**4.4**
Average grade in the State matriculation exam in Bulgarian language and literature**	4.19	4.53	4.44	**4.21**
Average grade in the National external exam in mathematics after 7th grade (points)**	37.7	38.1	42.6	**37.9**
Net enrolment of the population in 5th–8th grade (%)	91.6	90.9	90.8	**86.5**
Number of teachers in primary and secondary schools per 1,000 students	119	122	120	**87**
Share of population with health insurance (%)	94.8	97.0	95.6	**88.7**
Population per one GP (number of people)	1,587	1,569	1,605	**1,727**
Registered crimes against the person and property per 1,000 people	5.1	6.0	5.2	**9.9**
Workloads of criminal judges in office (cases/month)	5.0	5.2	3.6	**8.6**
Share of population living in settlements with public sewerage networks (%)	72.9	73.1	n.a.	**76.4**
Generated household waste per capita (kg/person/year)	301	n.a.	n.a.	**409**
Share of household waste handed over for treatment and recycling (%)	7.5	n.a.	n.a.	**70.9**
Visits to cinemas per 1,000 persons	134	149	38	**190**
Visits to museums per 1,000 persons	129	154	96	**322**

* 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.