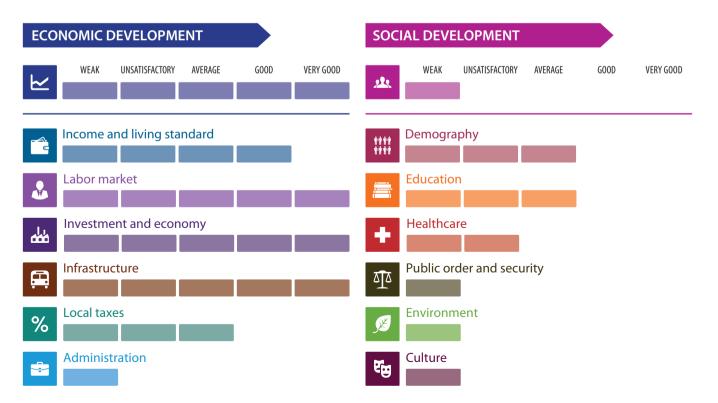


The relatively high figures for both GDP per capita and salaries are a precondition for the relatively low poverty levels in Sofia district. The development of the local labor market continues to be very good, which again manifests the deep interrelation between the economics of the capital and the district of Sofia. Good economic development is also accompanied by high investment activity. The density of the road network is high. The average level of local taxes in the municipalities of Sofia district is generally close to the national average. The performance of the local administrations in the district is poor. The rate of natural population growth in Sofia district continues to fall and remains below the national average. The level of urbanization in Sofia district is relatively low. The performance of the students in the district is poor. Access to doctors – both GPs and specialist physicians in the district – is slightly below the national average. Delivery of justice is slow. The share of generated waste handed over for treatment and recycling is small. The share of forest areas is relatively high. Cultural life in Sofia district retains its low intensity.



# ECONOMIC DEVELOPMENT

#### Income and living standard

Sofia district retains second place in the country (after the capital district) as regards GDP per capita, which has continued to rise and reached 17,100 BGN in 2020. Salaries and incomes have also been rising. The average annual gross salary of employed people reached 15,900 BGN and is also the second highest in the country (again after the capital).

The relatively high values of GDP and salaries in the district have kept poverty levels relatively low. In 2021, the share of the population living with material deprivation was 12.7%, compared to 19.4% in the country, and those living below the national poverty line made up 21.8%, versus 22.1% nationwide.

### Labor market

The development of the local labor market in 2021 continued to be very good, which once again shows the deep interrelation between the economies of the capital and of Sofia district. Economic activity in the district increased slightly and settled above the national average – at 76.9%, compared to 72.0% for the country. This growth was accompanied by a decrease both in employment and unemployment. The employment rate was 75.2% and was once again the highest in the country. Unemployment also remained extremely low.

The profile of the workforce in Sofia district is characterized by a large number of people with secondary education – 73.4%, compared to 53.8% in the country, while the shares of people with a university degree and of those with primary or lower education are relatively low. This structure can be accounted for by the proximity of most of the district's settlements to the capital, the latter attracting university graduates and naturally leaving the processing industry to develop in its geographical periphery.

Population ageing continues to be a challenge facing the local labor market. The population replacement rate as a ratio of people aged 15–19 to those aged 60–64 was 62.5%, versus the national average of 69.4%.

## 🕍 Investment and economy

The positive economic development of the district is associated with high investment activity. In 2020, the district again reported the second highest figures in the country (after those in the capital) for foreign and domestic investment. FTA acquisition expenditures reached 3,400 BGN/person, compared to 3,300 BGN/person nationally, and FDI amounted to 6,700 EUR/ person, versus 3,900 EUR/person countrywide. Production value also ranked the district second in the country, with 49,900 BGN/ person, compared to 27,200 BGN/person nationally.

The number of enterprises in the district remains relatively low, while the share of large enterprises among them is relatively high. Utilization of EU funds has gone up considerably. By 30 June 2022, payments made in Sofia district to beneficiaries under EU operational programs amounted to 2,556 BGN/person. Within the district, the leader in the utilization of EU funds was the municipality of Kostinbrod.

#### 🛱 Infrastructure

Sofia district has a very well developed infrastructure. The density of the road network is higher than the national average, and the share of highways and first-class roads is the second largest in the country after that in Shumen district, with 30.2%, compared to the national average of 18.5%. At the same time, however, the quality of the roads remains relatively low, with only 35% of the road surfaces in good condition, versus 42% in the country in 2021.

The railroad network density is also relatively high.

Access to the Internet in the district remains relatively limited, with 74.1% of the households connected to it, compared to 83.5% on average in the country.

Sofia district takes the top place in the country regarding the share of households connected to a gas supply – 12.3%, against 5.3% in the country.

#### % Local taxes

In 2022, the average level of local taxation in Sofia district remained generally close to the average one for all Bulgarian municipalities. Higher than average continued to be the taxes on immovable non-residential property for legal entities and on non-gratuitous acquisition of property. By contrast, significantly lower than the average rates were the taxes on motor vehicles, taxi transportation, and retail trade.

Within the district, the highest average tax rates are those in the municipalities of Samokov and Botevgrad, and the lowest ones are in the municipalities of Mirkovo and Chelopech.

#### 🖻 Administration 🔳

The performance of the municipal administrations in Sofia district is poor. While almost the entire territory of the country is already covered by the cadastral map (97.4%), in 2021 cadastral coverage in the district was 92.6%. The self-assessment of the municipal authorities for the development of e-government and the provision of one-stop-shop administrative services in 2022 also remained lower than the national average.

In 2022, Sofia district continued to be among those with the lowest transparency assessment of its local administrations, with a rating of 57.9%, compared to 70.2% on average for the country.

# SOCIAL DEVELOPMENT

#### IIII Demography

The rate of natural population growth in Sofia district continues to fall and remains below the national average at -15.5%, against -13.2% nationwide in 2021. The net migration rate is also negative at -5.1%.

These processes are reflected in the deteriorating age dependency ratios in the district. In 2021, the ratio of people aged 65+ to those aged 0–14 was 170.1%, compared to 149.3% nationally, and to those aged 15–64 it was 37.0%, versus 34.0% nationwide.

Sofia is among Bulgaria's districts with a relatively low level of urbanization – 59.3% of its population is urban, against 73.1% countrywide, and with a low population density of 755 persons/sq. km, compared to the national average of 1,489 persons/sq. km.

#### Education

The net enrolment rate in 5th–7th grade in Sofia district remains relatively high – 90.0%, compared to 85.9% on average for the country in 2021. The number of teachers in primary and secondary education in the district continues to grow, reaching 101 per 1,000 students, versus 97 per 1,000 students nationally.

The performance of the students in the district is relatively poor. At the external examination in mathematics after 7th grade in 2022, they achieved an average score of 29.6 points, versus 35.3 points nationally. The average grade in the State matriculation exam in Bulgarian language and literature was "Good" 3.77, compared to the average of 3.97 countrywide, and the share of "fail" grades (below 3.00) reached 20.9%, against the national average of 17.0%.

The number of university students in Sofia district is relatively small – 7 students per 1,000 persons, compared to the national average of 32 students per 1,000 persons in 2021.

### + Healthcare

Access to doctors – both GPs and specialist physicians in the district – is slightly below the national average. In 2021, one GP cared for an average of 1,839 people, compared to 1,734 people per GP in the country. The share of people with health insurance has decreased significantly and is now below the national average.

The number of beds in the local general hospitals relative to the population in the district has been falling in the past few years, while that in the country has been rising, but it is, as always, higher than the national average. In 2021, there were 5.73 beds per 1,000 people, compared to 5.62 beds per 1,000 people nationally. The number of hospitalizations in 2021 was 211.9 per 1,000 persons, compared to 222.6 per 1,000 persons nationally.

The infant mortality rate has fallen and in 2021 was below the national average.

## Public order and security

The results for Sofia district regarding the provision of public order and security in 2021 remained poor. That was mostly a consequence of the slow delivery of justice, although the workloads of the local criminal judges were below the national average. One criminal judge in Sofia district heard an average of 8.2 cases a month, compared to 9.0 cases per judge in the country. At the same time, the number of criminal cases closed within 3 months was 82%, compared to the average of 89% nationwide, and pending cases amounted to 21.6%, versus 11.8% countrywide, which is the highest figure for this indicator countrywide.

The indicator values for security and justice in Sofia district are close to the national average. The number of registered crimes against the person and property is 9.5 per 1,000 persons, compared to the national average of 9.8 per 1,000 persons. The detection rate is 56.8%, versus 51.7% for the country.

# 🦉 Environment 🖿

The annual volume of household waste generated in Sofia district is among the highest in the country – 470 kg/person, versus 409 kg/person nationwide, while the share of the waste handed over for treatment and recycling is among the lowest – 12.1%, compared to 69.3% in the country in 2020.

In spite of the relatively low level of urbanization, the share of households in the district with access to public sewerage networks is high – 76.2%, compared to the national average of 76.3%. At the same time, access to sewerage networks connected to wastewater treatment plants is lower – 39.9%, against the average share of 66.7% in the country.

The forest areas are relatively large (46.0%, compared to 33.1% in the country), and the share of disturbed areas is close to the average (0.41%, against 0.42% in the country) in 2021.

# 😼 Culture 🗖

In 2021, cultural life in Sofia district still sustained its low intensity, probably due to the region's proximity to the capital, which allows a large part of the population relatively fast and easy access to the biggest city in the country. No visits to libraries and theaters have been reported for the district, while cinema visits dropped significantly due to the pandemic and the countrywide restrictions on visits to cultural events. Visits to museums went up and their relative number is relatively high, although they cannot yet recover their pre-pandemic level.

# Key indicators for the district of Sofia

Economic Development Indicators	2019	2020	2021	National average
Gross domestic product (GDP) per capita (BGN, current prices)	17,087	17,146	n.a.	17,299
Average annual gross salary per employed person (BGN)	14,586	15,857	n.a.	16,687
Relative share of people living below the national poverty line (%)	17.6	22.8	21.8	22.1
Annual average economic activity rate of the population aged 15 to 64 (%)	77.7	76.6	76.9	72.0
Annual average employment rate of the population aged 15 to 64 (%)	77.7	78.8	75.2	68.1
Annual average unemployment rate of the population aged 15+ (%)	(0.4)	(0.9)	(0.7)	5.3
Relative share of the population aged 25 to 64 with primary or lower education (%)	10.9	13.6	14.2	16.6
Relative share of the population aged 25 to 64 with higher education (%)	12.0	11.3	12.4	29.6
Production value (BGN/person)	47,296	49,856	n.a.	27,213
Expenditures for acquisition of fixed tangible assets per capita (BGN/person)	2,803	3,430	n.a.	3,348
Foreign direct investment to non-financial enterprises, per capita (cumulative) (EUR/person)	6,569	6,704	n.a.	3,877
Relative share of households with internet access (%)	67.3	73.0	74.1	83.5
Share of roads in good condition (%)	31.7	30.2	35.4	42.0
Road network density (km/100 sq. m territory)	21.4	21.4	21.4	18.0
Active Transparency Rating of local government bodies (%)*	57.3	65.3	57.9	70.2

Social Development Indicators	2019	2020	2021	National average
Rate of natural increase (‰)	-9.3	-12.3	-15.5	-13.2
Net migration rate (‰)	-1.2	63.0	-5.1	1.9
Average grades in the State matriculation exam in Bulgarian language and literature**	4.00	3.99	3.77	3.97
Average grade in the National external examination in mathematics after 7th grade (points)**	31.0	31.8	29.6	35.3
Net enrolment rate of the population (5th to 7th grade) (%)	91.6	89.8	90.0	85.9
Number of teachers in primary and secondary schools per 1,000 students	90	97	101	97
Health insured persons as share of the population (%)	87.3	87.3	82.9	88.7
Number of people per general practitioner	1,771	1,846	1,839	1,734
Crimes against the person and property per 1,000 persons	11.2	9.7	9.5	9.8
Actual workload of penal judges in the district court (cases/month)	9.5	5.6	8.2	9.0
Share of population living in settlements with public sewerage systems (%)	78.2	76.2	n.a.	76.3
Household waste generated per capita of serviced population (kg/person/year)	479	470	n.a.	409
Share of household waste handed over for treatment and recycling (%)	12.0	12.1	n.a.	69.3
Number of visits to cinemas per 1,000 people of the average annual population	78	32	30	351
Number of visits to museums per 1,000 people of the average annual population	1,430	732	955	426

\* The 2021 data are included in the 2022 study.

\*\* The data refer to the 2021-22 academic year, while the State matriculation exams took place in 2022. The same is valid of the previous years.