



REGIONAL PROFILES

INDICATORS OF DEVELOPMENT

2016

This publication is financed by the America for Bulgaria Foundation and is part of a three-year project. The purpose of the edition is to present objective information and in-depth analysis of the economic and social development of Bulgaria's districts.

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Abbreviations Used

AIP Foundation	Access to Information Programme Foundation
APIA	Access to Public Information Act
EU	European Union
FDI	Foreign Direct Investment
FTA	Fixed Tangible Assets
GDP	Gross Domestic Product
MES	Ministry of Education and Science
MI	Ministry of the Interior
MpHAT	Multi-profile Hospital for Active Treatment
NCPHA	National Centre of Public Health and Analyses
NHIF	National Health Insurance Fund
NRA	National Revenue Agency
NSI	National Statistical Institute
NSSI	National Social Security Institute
OP	Operational Programme
pp	percentage point/percentage points
WWTP	wastewater treatment plants

Preface

This is the fifth annual edition of the *Regional Profiles: Indicators of Development* periodical study of socio-economic development in Bulgarian regions, the only one of this type and scale, prepared by the Institute for Market Economics (IME). Analysis is based on 63 indicators arranged in two general sections: “Economic Development” and “Social Development”. Its aim is to offer a picture, as concise and accurate as possible, of the current state and development trends in Bulgaria’s 28 districts.

This edition is not exclusively the result of EMI’s effort. We consider it integral to the wider societal processes of growing awareness on how important regional specificity is for the overall development of the country. The study reflects as much as possible advice and criticism we have received at workshops in the capital and across the country. We have also made an attempt to answer various questions asked by politicians, journalists, and students. The *Regional Profiles* study responds to the public awareness of its social necessity, which implies a responsible approach to both choice of indicators as well as their systematization and analysis.

Dividing district profiles into two sections (economic and social development, respectively) has allowed for maintaining a better content balance. At the same time, by reconsidering the indicators used every year, we have tried to constantly improve the quality of the finished product. Every single methodological decision has been made in order to enhance the informative value of the *Regional Profiles* and their usefulness for local administrations, businesses, and citizens.

This edition would not have been possible without the financial and general support of the *America for Bulgaria Foundation*. We are also grateful to our colleagues from the National Statistical Institute who never failed to respond to our information requests, and helped us comprehend some of the specific methodological subtleties in preparing and interpreting data. With each subsequent edition, the number of Bulgarian municipalities’ administrations that responded to our information requests, as stipulated in the Access to Public Information Law, has been increasing. This year, again, Prof. Yordan Kalchev took responsibility for the scientific editing, whereas *Polis Publishers*, our reliable partners and friends, invested laudable effort in designing and printing a book of exceptional quality.

Our work on the *Regional Profiles: Indicators of Development* does not end with the coming out of the annual report. The IME team keeps monitoring the ongoing processes in the regions throughout the year, and prepares timely comprehensive analyses on topical issues such as the labor market, income and household wealth, EU fund utilization, investment, and many others. All that information, as well as the total data used in preparing the present edition can be found at the project website www.regionalprofiles.bg.

Enjoy reading our study!

The IME team

Regional Profiles 2016: Summary

ECONOMIC DEVELOPMENT

Income and Living Conditions

In 2016 Bulgaria's economy finally managed to overcome the consequences of the economic crisis. Aggregate production (in real terms) surpassed its pre-crisis level. However, in most Bulgarian districts and regions recovery from the crisis is yet to come.

In 19 districts the real GDP (that is, adjusted for price fluctuations) has not reached its pre-crisis (2008) levels yet. These districts are located all over the country's territory, in all its regions. The only region where all districts without exception have not yet recovered from the crisis is that of Northwestern Bulgaria. It includes the districts of Vidin, Vratsa, Montana, Pleven, and Lovech.

The North-central and Northeastern regions are also in the process of recovery, but close to their pre-crisis levels of production. The districts whose economies have already recovered from the consequences of the crisis are those of Veliko Tarnovo and Razgrad in the North Central region, and Varna and Dobrich in the Northeastern region, respectively. In the south, the South Central region was still "in deep water" in 2014.

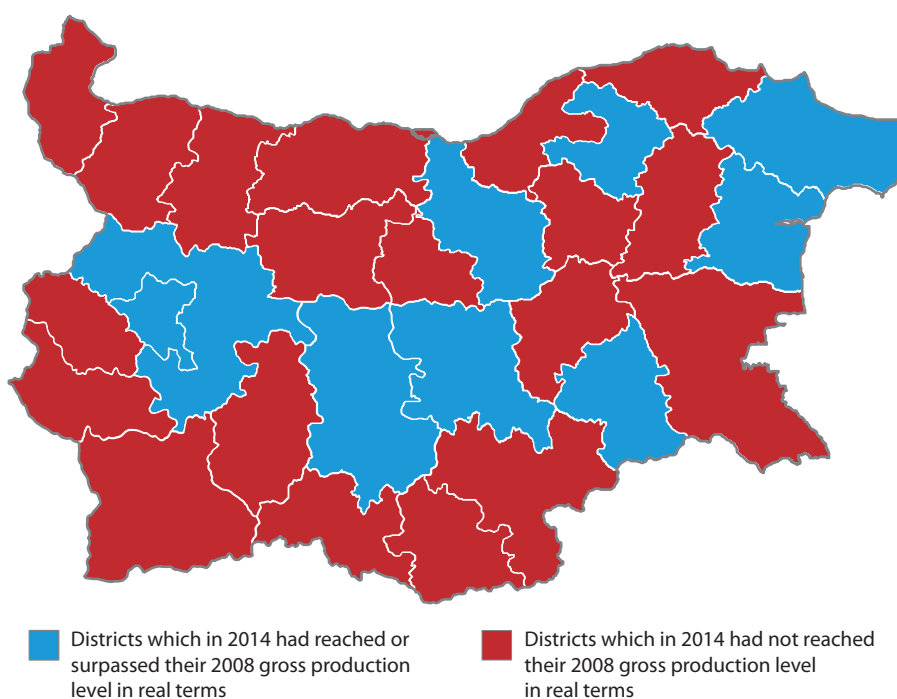
In that part of the country, however, the district of Plovdiv makes an exception. Thanks to considerable investment during the last few years the real gross production in the district of Plovdiv is already higher than it was in 2008 by 8.5 %.

The Southwestern and Southeastern regions have also started to show real production which exceeds its pre-crisis levels by 2 to 3%. The economies that form the positive trends in the two regions are those of Sofia (capital city) and the greater Sofia district in the Southwestern region as well as those of Stara Zagora and Yambol in the southwest.

Labor Market

Economic recovery became more and more visible in 2015, judging by processes on the labor markets and income dynamics. That year was particularly buoyant for labor markets in most regions, hence, for salaries and household incomes too.

Figure 1: Real GDP in Bulgarian districts in 2014 (2010 constant prices)

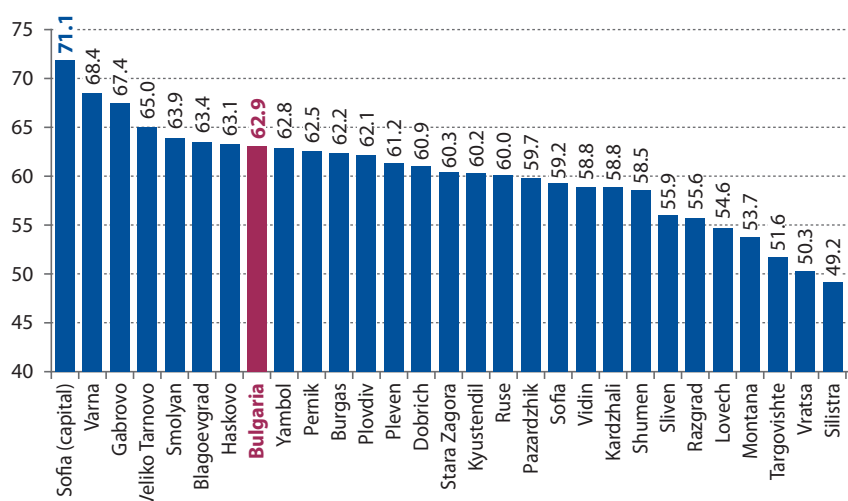


Source: NSI, IME calculations

Still, 8 districts failed to join in the process of job creation and employment rates fell there in 2015. Among them are some whose local economies have very serious problems, such as Vratsa, Montana and Silistra, where employment has been stagnating and even going down in the last few years. In those districts processes of recovery have either not started at all or have been insignificant. Employment remains exceptionally low in Silistra, with less than half the population of working age in employment. The district of Sofia is also among the stagnating labor markets, while the districts of Dobrich and Kardzhali report a drop in employment rate after a rise in previous years.

In 2015 unemployment fell in all districts without exception. However, a more careful consideration of the figures shows that

Figure 2: Average annual employment rate of the population aged 15 to 64 in 2015 (%)



Source: NSI

dropping unemployment figures are not always good news. In a number of districts this is due not to the creation of new jobs but rather to the fact that some of the unemployed have joined the group of the economically inactive, among other reasons because of becoming discouraged about finding a job. The worst example of this kind is the district of Montana, where unemployment fell to half its size but for the sole reason that economic activity went into a slump. More examples of this kind include the districts of Blagoevgrad, Plovdiv, Sofia, and Kardzhali.

The stable recovery of labor markets in most districts, combined with the continuing rise of the minimum salary and the minimum insurance thresholds has led to a steady rise in salaries in all districts. The country average rise is about 6%, but it went over 10% in some districts (like Razgrad, for example) in 2014. Still, the level of remuneration in the district with the highest salaries (the capital) remained about twice as high as the one in the district with the lowest ones (Vidin).

Though salaries have grown steadily everywhere, household income dynamics vary. In some districts incomes have stagnated or fallen in 2015 - due both to the limited employment and low intensity of households' economic activity, and to the falling incomes from other sources. In 2015 Kardzhali replaced Silistra as the district with the lowest income per person in a household (3,393 BGN).

Low income is inevitably connected with high poverty. Kardzhali is the district with the highest percentage of people living below the national poverty line – 60.1% or almost three times the national level. The other district with a very high share of poor people – over 50% – is Pazardzhik, which has traditionally been characterized by high poverty and a considerable number of people living in material deprivation.

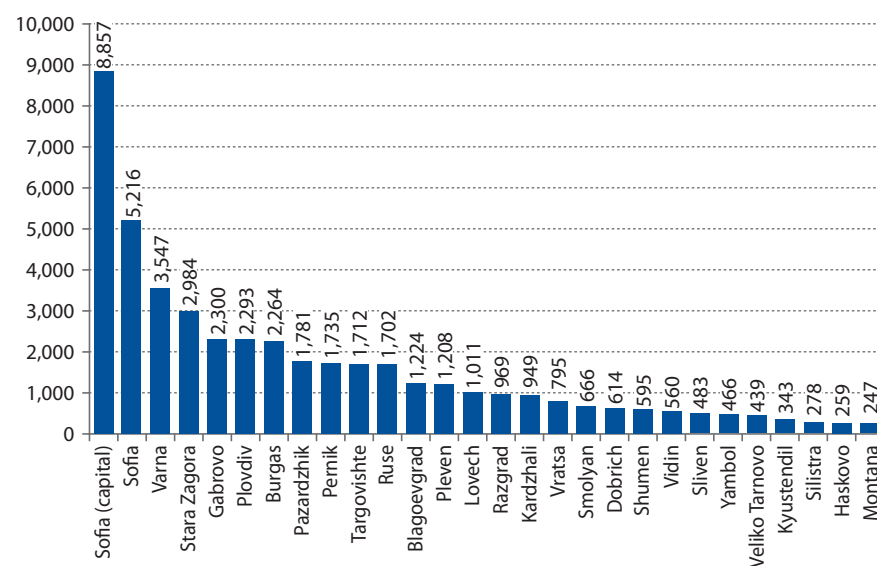
Investment

In most cases, poverty, low income, and low employment rates are a natural consequence of insufficient investment in the respective districts – be it investment in fixed tangible assets (FTA) or foreign direct investment (FDI). After the crisis of 2009

FDI inflows decreased and in several districts even some outflow has been observed. In 2014 the district of Burgas registered a huge outflow of foreign capital (1.5 billion euro), but the cause was purely technical: accounting operations between Lukoil Neftohim and its mother company in the Netherlands. Two of the few districts to attract considerable foreign capital in 2014 were Varna and Stara Zagora.

However, if we look at the other key indicator of investment, expenditure on the acquisition of FTA, the picture is much more optimistic at the district level. Pre-crisis figures have already been approached in most districts,

Figure 3: Cumulative foreign direct investment in non-financial enterprises as of 31.12.2014 (Euro per capita)



Source: NSI

and even surpassed in 1/3 of them in 2014. Burgas and Pazardzhik stand out among the good examples as well as some of the less developed districts, such as Razgrad, Silistra, Targovishte, Pleven etc.

EU funds have been among the key factors in the growth of expenditure on the acquisition of FTA in recent years. The rate of utilization of these funds went up in 2014 and particularly in 2015, when beneficiaries had their last chance to absorb funds from the previous program period. Relative to their population, the districts with the highest rate of utilization of EU funds by municipal administrations are the districts of Gabrovo and Burgas, followed by those of Lovech and Vidin.

Infrastructure

A considerable part of EU funds have been invested in the development of road infrastructure, though this has had no serious impact on the indicators of its development yet. A possible explanation for this paradox maybe the fact that while new roads have been built, the rehabilitation of existing ones has lagged behind. As a result, the share of roads in good condition has remained unchanged in the last four years (about 40–41%). Road quality is worst in the district of Vratsa with only 15% in good condition, while it has stayed best for another successive year in Sliven with over 70% in good condition.

A more visible improvement in infrastructure has been noted in internet access and internet use among the population. These indicators have had a stable upward trend in the last few years and by now about 60% of the population in the country has access to the net and uses it on a regular basis. In Sofia over 3/4 of the population is connected to the internet but in some less developed districts such as Vratsa and Targovishte this share remains considerably lower – about 1/3.

Taxes and Fees

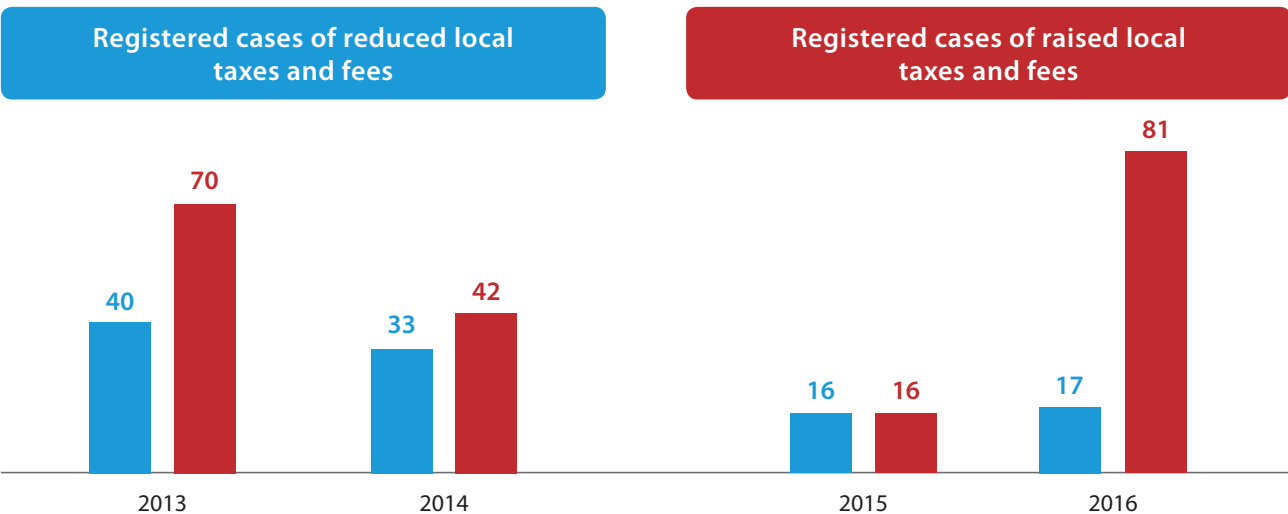
Local taxes and fees show an upward trend, the most significant rise in 2016 being that in the real estate tax and the waste management fee, as well as that in the license tax for retailers. The property transfer tax has also been rising on a country average basis. Generally speaking, economically more developed territories have maintained higher levels of local taxes and fees (the capital is one such example) and vice versa – these levels are lower in less developed districts. Still, there are exceptions to this unwritten rule. For example, in the district of Haskovo, one of the relatively less developed districts economically, the level of local taxes and fees has stayed high.

On the whole, however, it is hard to discern a clear connection between decisions to do business or to live in a certain territory, on one hand, and the levels of local taxes and fees, on the other. This allows local authorities to set rates for local taxes and fees arbitrarily or based on conjuncture, rather than strategically, that is, as a part of a comprehensive local fiscal policy.

Administration

Cadastral map coverage, exceptionally important for large scale investment projects, remains rather limited in the country as a whole. Barely 1/5 of its territory has been covered by cadastral maps and the indicator has stayed frozen in recent years in most districts. It was only in Burgas, Varna, Vidin, Veliko Tarnovo, Lovech, and Shumen that the coverage did increase more considerably in 2015. The development of one-stop shop services and electronic services in municipalities has been progressing slowly and in quite a few districts it has stagnated or even gone into a skid. What is even more alarming is that the transparency of local authorities has declined in almost all districts in 2016.

Figure 4: Number of changes in levels of local taxes and fees over time



Source: IME based on statements of municipalities required by the Law for Access to Public Information

SOCIAL DEVELOPMENT

Demography

Negative demographic tendencies in the country continued in 2015. Natural population growth worsened in a second successive year, reaching -6.2% . Since 2010 there is no district in the country where the number of newborn children exceeds that of deceased people, even in Sofia this rate reached its least favorable value since 2007 (-1.7%). As a result of falling birth rates and the continuing emigration, the age structure of the population has continued to worsen – in 2015 there were 4 districts with twice as many people aged 65+ as those aged 0 to 14: Vidin, Gabrovo, Kyustendil, and Pernik.

Though in 2015 the most intensive migration went along the “country – city” axis (37.6% of all re-settlers), higher birth rates and lower death rates in towns imply that urbanization is still strong as a trend. In 2015 73.1% of the country's population lived in cities, with Kardzhali remaining the least urbanized district (41.1%).

Five districts reported a positive rate of net migration in 2015: Burgas, Varna, Sofia (capital city), greater Sofia district, and Haskovo. Sofia district registered a record high net migration rate of 5.5%, the highest value in the entire country. The greater part of the new settlers came from the capital, their number exceeding 3,000 in 2015. The districts most negatively affected by migration were Smolyan, Razgrad, Vidin, and Vratsa, which means that the greatest number of people moved out of them.

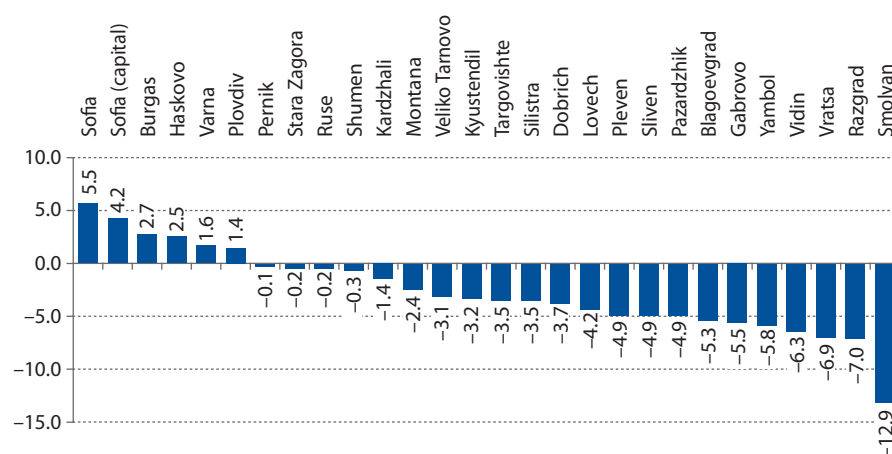
Education

Most of the indicators for the state of the educational system reveal a decline in the school years 2014/2015 and 2015/2016. The net enrolment rate of the population in 5th–8th grade fell to 78.3%, while the relative share of drop-outs from primary and secondary education rose to 2.8%, its highest value since 2006.

After control tightened on the administration of annual state ma-

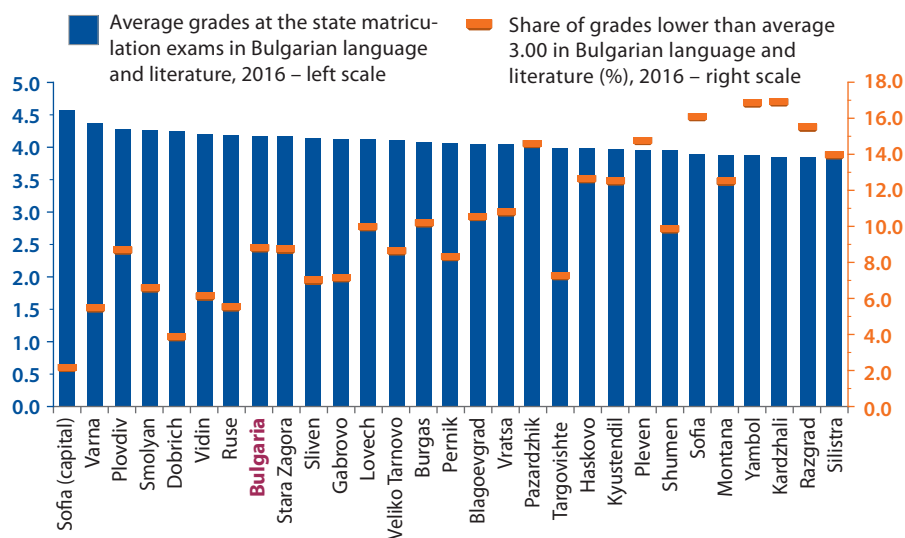
trication exams in Bulgarian language and literature, the national average grade of high-school graduates in the country fell to “good” 4.17 in 2016, its lowest value since the introduction of standardized external evaluation at the exit of secondary education in 2008. Parallel to it, failure percentages rose to reach 8.7%. Compared to 2014, the share of school leavers with grades below “average” 3.00 in 2016 rose from 3.0 to 16.9% in Kardzhali, from 5.0 to 16.0% in the district of Sofia, and from 3.6 to 13.9% in Silistra. This dramatic decline of high-school graduates' performance questions both the quality of secondary education and the validity of the good results achieved in previous years. Still, there were quite a few examples of districts which retained their good performance. In 2016 the number of high-school students who failed the exam amounted to only 2.1% in the capital, 3.8% in Dobrich, and the average grades in those districts were above the

Figure 5: Net migration rate, 2015 (%)



Source: NSI

Figure 6: Average grades at state matriculation exams in Bulgarian language and literature in 2016



Source: Ministry of Education and Science

national average. On the other hand, judging by the performance at matriculation exams, differences in education quality between districts deepened. The difference between the district with the lowest share of matriculation exam failures and that with the highest one went on increasing to reach 14.8 pp in 2016 from only 6.9 in 2008. In the 2015/2016 academic year the number of university students in the country declined for a sixth successive year to reach 260,000 – the lowest number since 2006. The districts where student numbers fell most dramatically were the capital (by 3,192 students), Veliko Tarnovo (by 3,021 students) and Plovdiv (by 1,794 students).

Healthcare

In 2015 the ratio of general practitioners in the country to the population went on deteriorating to a record 1,619 people per one GP. Razgrad, Kardzhali, Targovishte, Ruse, and Silistra had the worst ratios which indicates a certain territorial imbalance in access to GPs. Among possible explanations for this is the low percentage of urban population. With the exception of Ruse district, where 77% of the population lives in towns, the other four districts are characterized by the lowest urbanization rates in the entire country, only Targovishte has over 50%. The number of medical specialists, however, is gradually increasing. This is typical mostly of the southern part of the country (mainly the capital, Plovdiv, and Burgas) while Pleven and Ruse are the only cities in Northern Bulgaria that show positive tendencies in this respect.

In 2015, 88.5% of the population had health insurance, the highest percentage so far since 2009. In addition to the growing employment rates, the tendency towards a growing number of insured persons also reflects the ageing of the population in some parts of the country as retired people are insured at the expense of the state budget. In districts with a significantly deteriorated age structure, such as Vidin, Vratsa, Kyustendil, and Lovech, the share of health-insured people is over 90%, while in the capital this percentage is 87%, in Burgas and Varna it is about 85%.

Another positive tendency is the continuing decline of infant mortality in the country. In 2015 it fell to 6.6‰, the lowest value for the last 12 years. There are still districts (like Lovech, Pazardzhik, and Sliven) where infant mortality is a serious issue. This indicates poor health awareness among parts of the population, mostly among ethnic minorities.

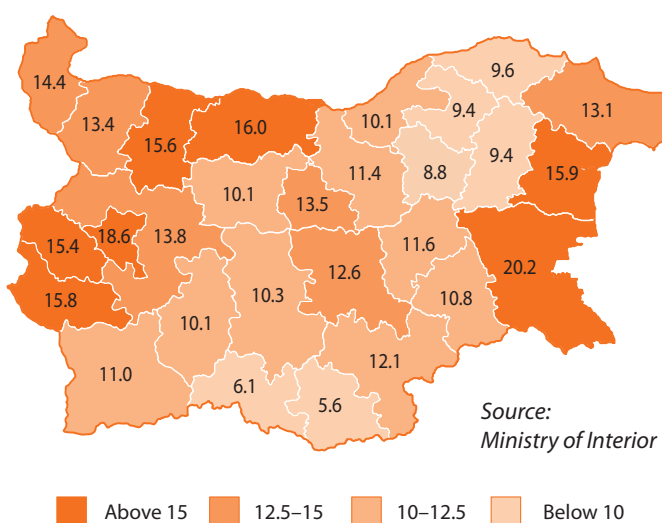
Security and Justice

Relative to the population number, reported crimes against the person and property fell in 2015 to 13.6 per one thousand people – the lowest value since 2000. Ex-

cept for a temporary rise in crime rates in the first years of the crisis (2009 and 2010), the downward tendency that started at the beginning of this century seems stable. The lowest number of crimes per 1,000 people of the local population was registered in Kardzhali and Smolyan, where crime rates were three times lower than those in Burgas and Sofia (capital city) – the districts with the highest crime numbers. The interdependence between stronger economic development and a higher number of recorded crimes is still valid – understandably so, in view of the more intensive social and economic life in districts such as the capital, Varna and Burgas, which have also the greatest concentration of population. Besides, these are the three districts with the lowest share of solved crimes in 2015, with hardly over 1/3 of crimes solved. As could be expected, the clearance crime rate is highest in districts with relatively low crime rates, such as Razgrad and Silistra, with over 60% solved crimes.

In 2014 and 2015 no particular change was noted with regard to indicators describing the work of criminal departments in district courts. The chief factor influencing speed of court procedures in different districts was the workloads of criminal judges. It was highest in the capital where the most visible downward trend in their workloads could be observed. Still, pending cases reached 15.4% compared to the country average of 9.4%, whereas the share of criminal cases cleared within 3 months was only 76.0% vs. the national average of 88.1%. The district courts of Blagoevgrad, Veliko Tarnovo, Kardzhali and Montana can also be said to have a relatively low efficiency. These four districts have workloads lower than the national average, but their percentage of pending cases was higher than the average. The opposite (high workloads with a relatively low share of pending cases) can be found in the districts of Burgas, Pazardzhik, Plovdiv, Sliven, Stara Zagora, and Haskovo.

Figure 7: Reported crimes against the person and property per 1,000 of the average annual population in 2015



Environment

Following two successive years in which the levels of carbon dioxide emissions to the atmosphere had dropped, they went up again in 2014 to reach 314,5 t/sq. km. These emissions rose in 10 and fell in 12 districts in Bulgaria, the greatest increase being observed in Stara Zagora and Varna, while the greatest drop occurred in Haskovo.

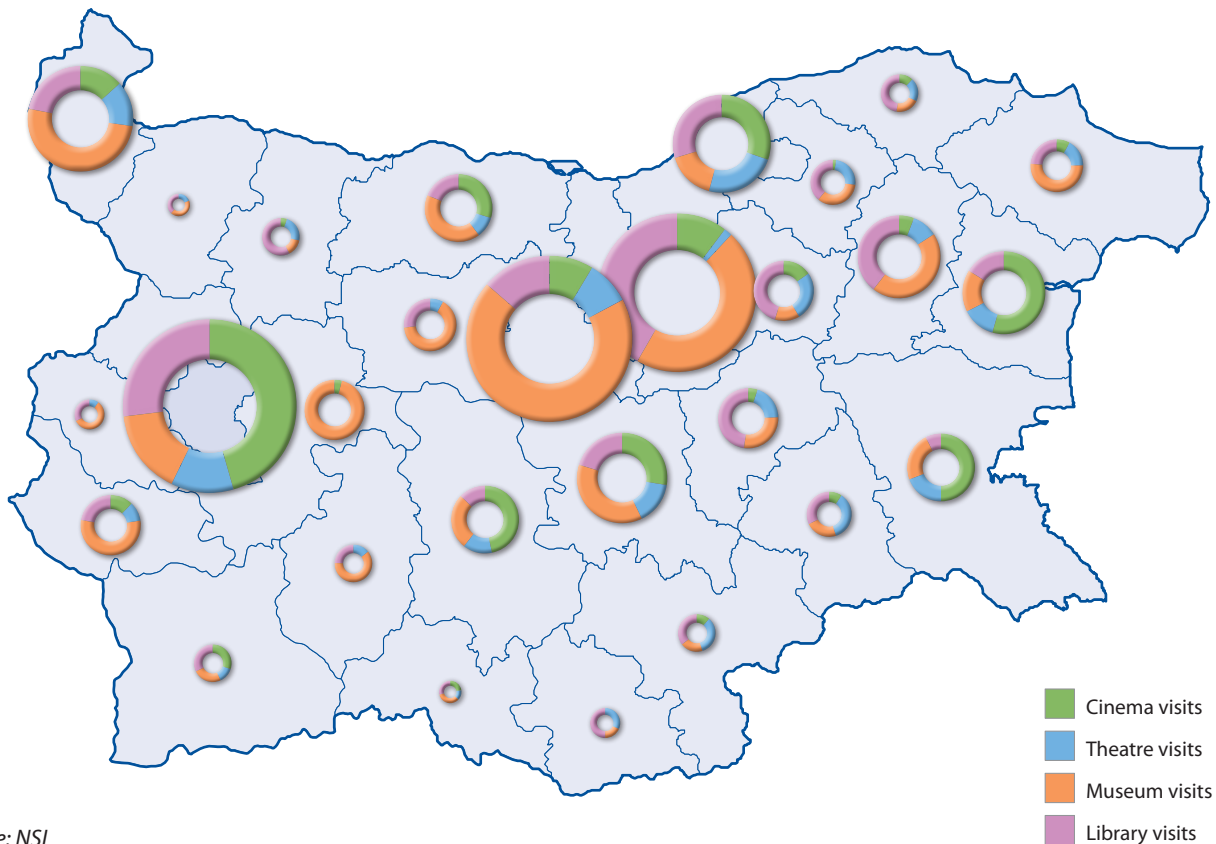
In recent years no significant change has been noted in the share of population living in towns and villages with access to sewerage systems (a rise from 74% in 2011 to 75% in 2014). Similar is the situation with the access to wastewater treatment plants (WWTP) of the population who have access to water supply and sewerage connection. It reached 57% in 2014, once again a rise of 1 percentage point compared with 2011. A possible explanation for the insignificant change in these indicators is that by 2014 most water cycle projects had not been finished yet, while some had failed or had been temporarily suspended. An example in point is the construction of a WWTP in Vidin, which was terminated because of suspected EU fund misuse. Thus in 2016 Vidin remains the only district in the country without an operating WWTP.

Culture

Cultural activities during the last year could be evaluated in positive terms as a whole. The numbers of visits to libraries and museums have continued to increase. Libraries enjoy the highest interest in the districts of Veliko Tarnovo and Sofia (capital city), so do museums in Veliko Tarnovo and Gabrovo. Despite the considerably increased interest in cinemas in recent years, there are still five districts in Bulgaria without a single cinema house. These are Kardzhali, Lovech, Montana, Pazardzhik, and Pernik. The districts where cinema houses were opened in 2014 (Vidin, Razgrad, Smolyan, and Shumen) have reported a growing number of admissions so far (relative to local population numbers), an indicator of growing consumer demand.

Only theatre visit numbers have declined: from 2.30 m in 2014 to 2.17 m in 2015, the greatest part of it having been registered in Sofia (capital city). Thus Ruse has displaced Sofia as the district with the highest ratio between registered theatre visits and the number of the local population. Despite the decreasing numbers in 2015, the long-term tendency is for a rising number of theatre visits: between 2009 and 2015 total visits grew by 35%.

Figure 8: Registered visits to cinemas and theatres per 1,000 of the average annual population in 2015



Source: NSI

Types of Regional Profiles 2016

Associate Professor Alexander Tsvetkov, Regiostat

Types of regional profiles have been established in order to identify similarities and differences among districts for five consecutive years now.

For that purpose, indicators characterizing their socio-economic development are analyzed and clusters of districts are formed by means of neural networks.

The clusters are formed on the basis of 63 indicators, organized in the 12 categories of the analysis: income and living conditions, labor market, investment, infrastructure, taxes and fees, administration, demography, education, healthcare, security and justice, environment, and culture.

The types of regional profiles can be used to identify complex positive or negative phenomena, to find out and analyze the causes underlying them, to formulate general or sector-specific policies etc.

TYPES OF REGIONAL PROFILES

8 clusters (types) of regional profiles were formed by applying neural networks.

This number has remained unchanged in the last four studies. There are certain differences in cluster composition, though the general tendencies have shown no significant changes. The only cluster which has remained unchanged in all studies (from 2012 to 2016) is the one which contains solely the district of Sofia (capital city).

The analysis of the types of regional profiles emphasizes sets of typical features that define the following types of clusters:

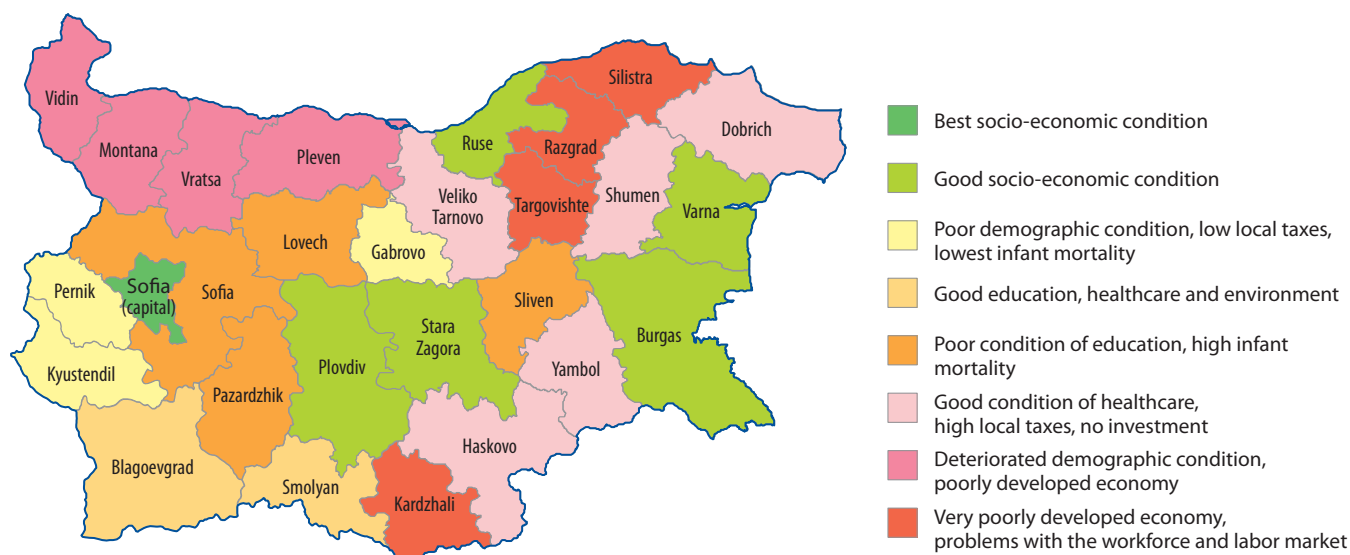
Best Social-Economic Condition: Sofia (Capital City)

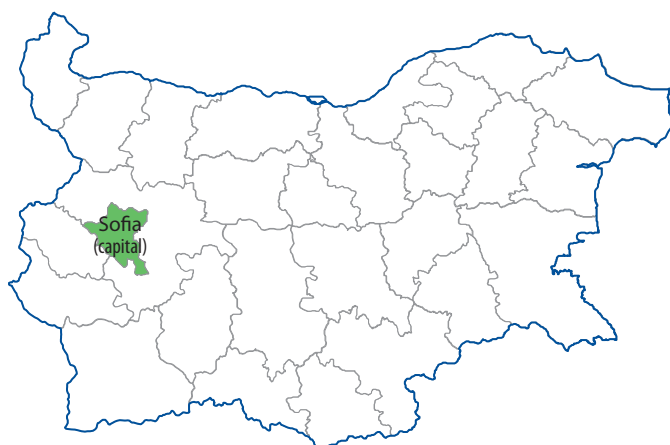
The district of Sofia (capital city) has formed a cluster of its own, significantly different from those of the other districts, for the fifth successive year. It is the most developed district, both socially and economically: the most developed economy (in terms of income and investment), the best demographic status and the strongest labor market. This district is one of the leaders in infrastructure and social environment (education and healthcare). It is the only district in Bulgaria with such characteristics.

The district of Sofia (capital city) has the highest GDP per capita, the largest average annual income per household member, the highest average salary, and the lowest poverty level.

Its labor market is in the best condition; the district is also a leader in the size of investments, both domestic and foreign.

The average salary in the district of Sofia (capital city) in 2014 was higher by 35% than that in Stara Zagora, the district immediately following, and double the salary in the district that came last, Vidin.



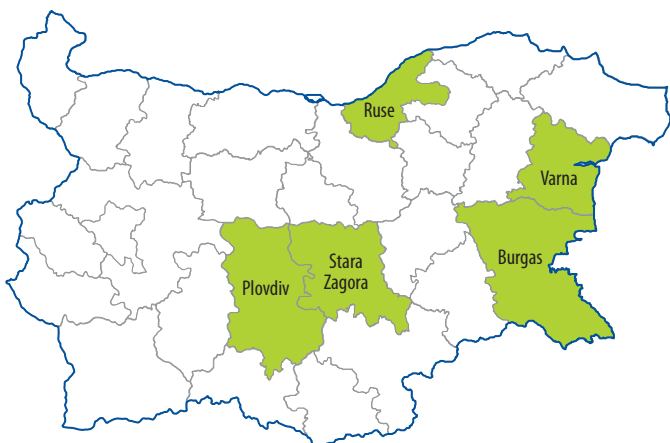


On the other hand, the district of Sofia (capital city) has the worst state in security and justice. Only the district of Burgas has a higher crime rate, judging by the number of reported crimes against persons and property per 1,000 people of the average annual population in 2015, while in the number of criminal cases cleared within 3 months the Sofia district takes the last place.

Good Socio-Economic Condition: Burgas, Varna, Stara Zagora, Plovdiv, and Ruse

The defining characteristic for this cluster is the fact that the included districts take a relative 'second place' after Sofia (capital city) in terms of their general socio-economic state. They have profiles similar to Sofia's: good economy and labor markets, relatively high local taxes and fees, education and healthcare in a relatively good condition – but order and security in a poor condition. Nevertheless, there are considerable differences between them and the capital, and no tendency for these differences to diminish has been observed.

The districts in the cluster have a negative natural population growth and a relatively good age structure. Also, three of the five districts in the cluster have a positive net migration rate: they attract population rather than lose it.



In the average annual number of visits to the cinema and the theatre per 1,000 people, the cluster is a leader after Sofia (capital city).

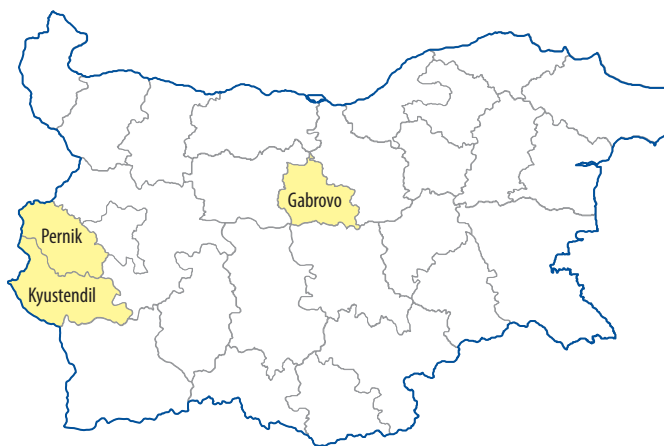
The greater part of the districts in the cluster have higher than the average tax rates on non-residential property of legal entities, tax on vehicles and cars, and property transfer tax.

Poor Demographic State, Low Local Taxes, the Lowest Infant Mortality: Kyustendil, Pernik, and Gabrovo

What is typical of this cluster is the poor demographic state expressed in a deteriorated age structure of the population, threatened possibilities for reproduction of the workforce, and very low rates of natural growth.

On the other hand, the districts in the cluster have the three lowest rates of infant mortality in the country, but it should be noted that the birth rate in these districts is also the lowest in the country.

The district of Gabrovo has the worst age structure of the population in Bulgaria. The ratio of the population aged 65+ to the population aged 0 to 14 keeps deteriorating, and is by now higher than the country average by 65%.



The districts of Vidin and Montana are the only ones in Bulgaria with lower natural growth than the three in this cluster.

As for the workforce, only the district of Smolyan has a worse rate of demographic replacement (the rate of the population aged 15 to 19 to that aged 60 to 64) than all three districts in the cluster, which shows serious problems in workforce reproduction.

Good Education, Healthcare and Environment: Blagoevgrad and Smolyan

The districts of Blagoevgrad and Smolyan are characterized by good condition of education, revealing a high net rate of enrolment of the population in 5th–8th grade and low shares of repeaters and dropouts from primary and secondary education.

The district of Smolyan has the greatest number of teachers in primary and secondary education per 1,000 high-school students among all districts in Bulgaria.

The two districts have infant mortality rates among the lowest in the country and the highest number of health-insured persons.



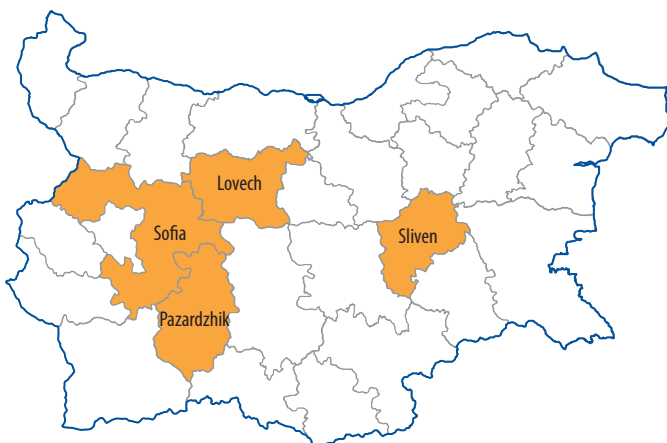
The two districts' levels of carbon dioxide emissions into the atmosphere are among the lowest in Bulgaria.

Poor State of Education, High Infant Mortality: Lovech, Sofia, Pazardzhik, and Sliven

What characterizes the four districts in this cluster is a deteriorated state of education. This is most notable in the district of Sliven.

The districts of Lovech, Pazardzhik, and Sliven have the three highest levels of infant mortality in Bulgaria.

In 2015 the districts of Sliven and Sofia ranked second and third in terms of relative share of high-school repeaters in the country, while Sliven and Pazardzhik came third and fourth in relative share of dropouts from primary and secondary education in 2014. In 2015 the district of Sliven had the smallest number of teachers per 1,000 pupils in primary and secondary education.

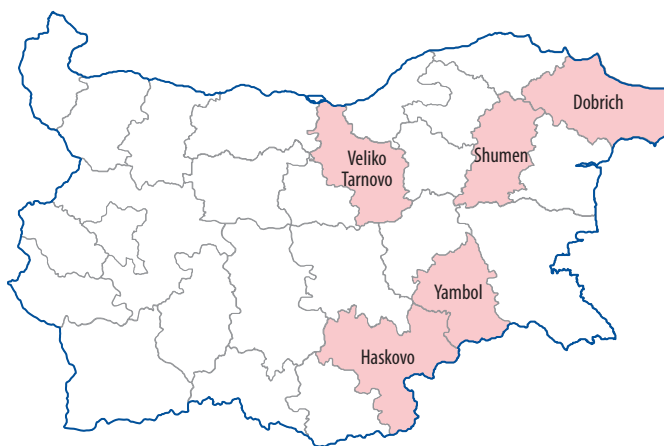


Good State of Healthcare, High Local Taxes, Lack of Investment: Veliko Tarnovo, Yambol, Haskovo, Dobrich, and Shumen

The districts in this cluster maintain relatively high levels of some local taxes and fees. They are also characterized by a relatively low FDI level.

Haskovo, Veliko Tarnovo, and Yambol are among the six districts that took the last places in cumulative amounts of FDI as of December 31st 2014.

The district of Dobrich has the highest property transfer tax in the entire country.



All districts in the cluster are among the leaders in terms of bed capacity in general hospitals per 1,000 persons of the population, as well as in terms of number of patients who received treatment in such hospitals per 1,000 persons of the population.

Deteriorated Demographic State, Poorly Developed Economy: Vidin, Pleven, Montana, and Vratsa

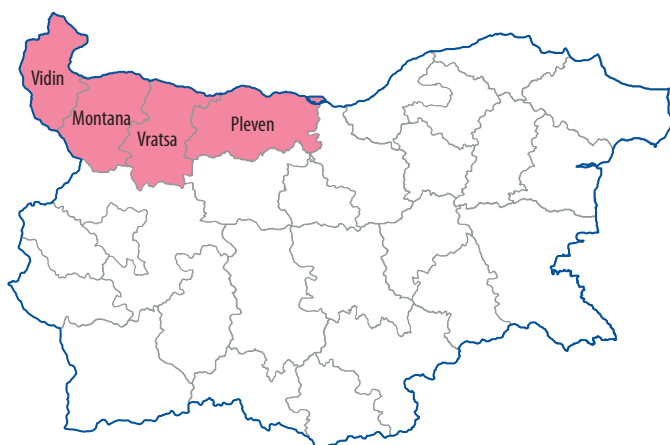
The districts in the cluster are characterized by a deteriorated demographic state, a weak economy and relatively low levels of investment.

All four of them are located in the North-western region, reflecting the poor economic situation in Bulgaria's North-west.

The district of Vidin has the lowest average annual gross salary of those employed full-time or part-time in the country. Montana and Vidin rank third and fourth in poverty level. Montana had the lowest income per household member in 2015.

All districts in this cluster have a negative rate of net migration (that is, more people leave than settle there), very low levels of natural growth and deteriorated age structure.

There is not a single college or university in Vidin or Montana.

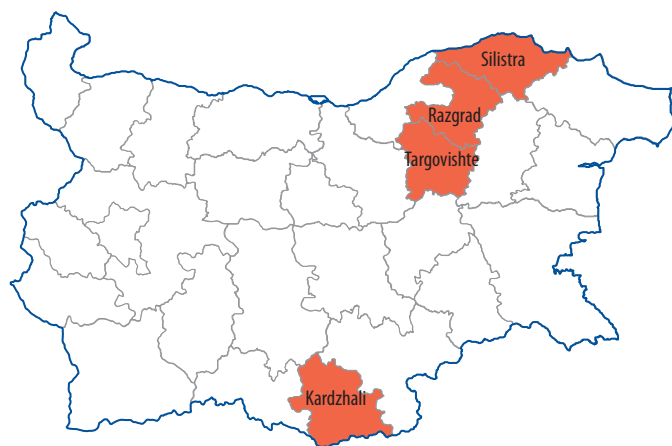


Very Poorly Developed Economy, Problems with the Workforce and the Labor Market: Kardzhali, Silistra, Razgrad, and Targovishte

This profile is characterized by the worst state of both the economy and the labor market. The levels of income and investment per person of the population are considerably below the national average. The district of Silistra has the lowest GDP per capita (in 2014), and Kardzhali has the highest poverty level.

All four districts have some of the lowest employment levels (age 15 to 64), a low share of the population aged 25 to 64 with higher education, and a high share of people with primary or lower education.

In 2016, the districts of Razgrad, Silistra, and Kardzhali had the lowest average grades at the state matriculation exams in Bulgarian language and literature in the country.



The district of Kardzhali has the highest proportion of grades in Bulgarian language and literature below "average" 3.00 in the country.

In the districts of Razgrad, Kardzhali, and Targovishte general practitioners are the most overburdened in the country (calculated by the number of people served by one general practitioner).

CONCLUSIONS

The following conclusions can be made based on the analysis. Some of them are also valid for the previous four studies, which means that they indicate clear tendencies:

1. The district of Sofia (capital city) differs from all the other districts in the country and has a leading position socially and economically. It has continued to outperform the rest of the country's territory.
2. Sofia (capital city) is the only district with an overall favorable socio-economic profile.
3. The range of profiles characterized by a poor socio-economic state remains wider than the range of those in relatively good condition.
4. The problematic socio-economic condition of Northwestern Bulgaria stands out, as well as that of the West-central region, in a more and more clearly discernible way.
5. Regional policies in Bulgaria yield no results. The goals prescribed in strategies and even stipulated in laws have not been achieved; on the contrary: differences have grown even deeper and so have problems.
6. A professional discussion is necessary on the concepts and technology of regional policy making and the means for its implementation. There are numerous questions that need to be addressed, such as:
 - ▶ Does reliance solely and exclusively on the 'utilization' of EU funds guarantee achieving sustainable strategic development?
 - ▶ Shouldn't EU funds be considered only a means for the attainment of goals rather than the only framework within which all plans, programs, and strategic documents on all regional levels are designed?
 - ▶ And if the above holds true, isn't the 'absorption' of EU funds turning into policies' objective rather than a means for their implementation?
 - ▶ Are planning and strategic documents on all regional levels really designed in a way that allows for the making and implementation of the right regional policies aimed at overcoming differences?

Blagoevgrad District

► Population (2015)	314,204
► Area (sq. km)	6,449.5
► Number of settlements	281
► Share of urban population (%)	59.5

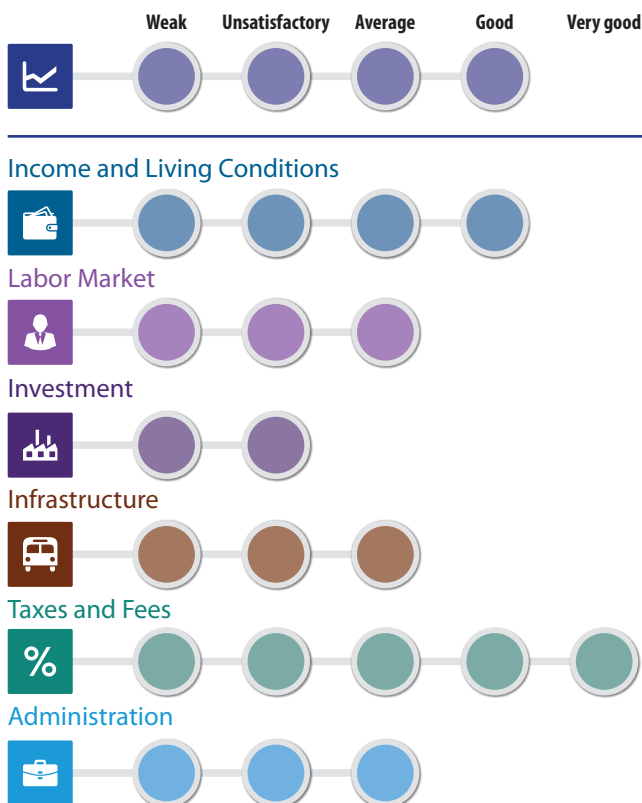


Overview

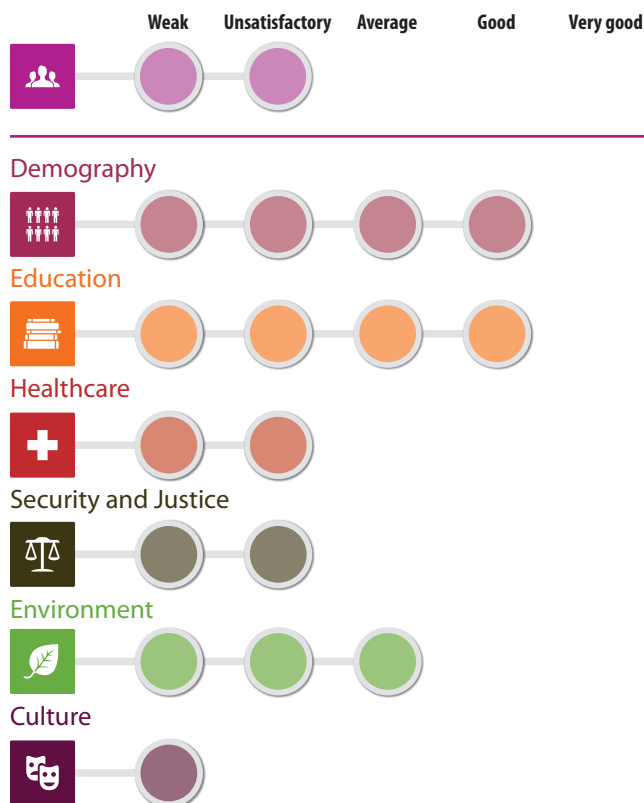
Though the labor market in the district of Blagoevgrad is showing some signs of recovery, salaries in the district are growing more slowly than the national average. The relatively low percentage of people with higher education – about 20% of the population – shows that the vast majority of students leave the district after graduating, which poses obstacles to its further development. Investment is growing gradually, though both investment and EU funds utilization remain below the country average. The share of roads in good condition is growing, though the density of the road and railway networks has remained low. The level of local taxes is relatively low and the work of the local administration is rated close to the country average.

The relatively good age structure of the population also has a positive influence on the rate of natural increase, which is way above the national average. Migration out of the district is still intensive. A considerable part of the population eligible for education has been successfully enrolled in the educational system, though the performance of school leavers at the state matriculation exams in Bulgarian language and literature is deteriorating. There is still shortage of general hospital beds and medical specialists in the district. The environment has remained in good condition mostly because of the low level of harmful emissions. The local judicial system is relatively slow though judges are not overloaded. The intensity of culture events remains low.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ●●●●

Income and Living Conditions ●●●●

Blagoevgrad has traditionally shown good results in terms of living conditions and social inclusion indicators. In spite of the rise for two successive years, the percentage of people living below the national poverty line is 18.2% vs. the national average of 21.8%. The share of people living in material deprivation is 22.1% vs. the national average of 33.1%. In 2015, the average annual income per household member reached 4,502 BGN; now it is 90.9% of the national average. Thanks to the relatively high employment rate and the favorable demography almost 60% of households' total income is formed by salaries vs. the average for the country 57%. However, the average annual gross salary has been increasing more slowly than it has in the country, reaching 6,818 BGN in 2014 when the national level was 9,860 BGN.

Labor Market ●●●

After two years of decline, the employment rate in the district started going up again and reached 63.4% in 2015 when the country average was 62.9%. The same year the unemployment rate fell to 10.3% vs. 14.1% in 2014. In view of the relatively small growth of employment, part of the former unemployed joined the economically inactive group. Despite the presence of leading universities, the share of the population aged 25 to 64 with higher education remains low – 19.5% vs. an average 27.5% for the country in 2015. This shows that the vast majority of students leave the district after graduating. The share of people with primary or lower education was 22.8% vs. the national average of 18.1%. This relatively unfavorable educational structure does not suggest that the employment levels of almost 70% from the pre-crisis years are likely to be reached soon, and partly explains the slower growth of salaries and wages.

Investment ●●

Blagoevgrad is one of the few districts in the country where foreign direct investment did not decline during the crisis years. By the end of 2014 they amounted to 384 m euro, which was 1,224 euro per capita vs. average of 3,006 euro per capita for the country. In 2014, expenditure on the acquisition of fixed tangible assets of enterprises increased for the second year in a row to reach 1,563 BGN per capita vs. 2,786 BGN per capita in the country. Yet, their level was still lower than that of 2008 by almost 25%.

Municipalities in the district of Blagoevgrad achieved a relatively low degree of utilization of EU funds under the operational programs. As of May, 31st 2016 they had utilized a total of 185.5 m BGN, or 590.5 BGN per capita of the annual average population. The national average was 688.8 BGN per capita. The municipality of Bansko utilized more than any other one

(44.6 m BGN or 3,497 BGN per capita), whereas Hadjidimovo utilized least (812,000 BGN, or 85 BGN per capita).

Infrastructure ●●●

Blagoevgrad is one of the districts with the lowest density of the railway network (2.5 km per 100 sq. km territory) and the lowest density of the road network in the country – 10.3 km per 100 sq. km territory. As of 2014 the share of motorways and first class roads was 13.1% vs. national average of 18.1%, but in the next years this ratio, as well as the density of the road network as a whole, has improved due to the completion of successive stages in the construction and operation of the "Struma" motorway. In 2015, almost 60% of road surfaces were in good condition, while nationally this figure was 40.7%: only the district of Sliven had registered a higher percentage (72.4%).

After 2012 the relative share of households with internet access in Blagoevgrad district was higher than the national average, reaching 63.3% in 2015. Almost 60% of persons aged 16 to 74 have used the Internet, which is close to the national level.

Taxes and Fees ●●●●●

Most local taxes and fees in the district of Blagoevgrad are lower than the national average and have stayed unchanged in recent years.

The average immovable property tax rate for legal entities (1.35‰) is the second lowest in the country after that of Ruse (1.34‰). The vehicle tax rate is 1.18 BGN/kW vs. the national average rate of 1.35 BGN/kW. These rates are lower only in the districts of Vidin, Kyustendil, Montana, and Ruse. Only the annual waste collection charge for properties of legal entities is somewhat higher than the national average rate.

Administration ●●●

In 2015, the cadastral map covered 13.8% of the district's territory, while the country average was 19.8%. The widest coverage was in the municipalities of Belitsa (97%) and Bansko (61%), while Satovcha, Simitli, Strumyani, Hadjidimovo, Yakoruda have no cadastral coverage yet. Electronic services in the district are less developed than the national average levels, but 6 of the 14 municipalities in the district reported an excellent level of development in "one-stop shop" services.

The Access to Information Program (AIP) Foundation evaluated the local authorities' transparency at 46.7%, which is lower than the national average (54.2%) for a third year in succession. The district was rated lower than the national average in the Local Integrity System Index of Transparency International, too.

SOCIAL DEVELOPMENT ●●

Demography ●●●●

The district of Blagoevgrad has the second most favorable ratio between the population aged over 65 and that aged 15 to 64. In 2015, it reached 26.5% vs. the national average of 31.1%, and the capital's one being lowest (24.3%). The relatively good age structure has a positive influence on some of the other demographic indices, too. After a five-year period of decline, the rate of natural increase, which has been traditionally more favorable than those in most districts, rose to -3.4‰ in 2015, while the national average was -6.2‰. At the same time, the net migration rate of the district deteriorated to reach -5.3‰, its most negative value since 2006. With 59.5% of the district's population living in urban areas vs. the national average of 73.1%, its level of urbanization is not very high.

Education ●●●●

In 2015, the net enrolment rate of the population in 5th–8th grade reached 84.0%, the third highest value after those of Vratsa and Razgrad. The relative shares of repeaters (0.7%) and dropouts (1.5%) in primary and secondary education was also below the national average levels: 1.0% and 2.8%, respectively. These figures indicate that the educational system in the district of Blagoevgrad succeeded in enrolling and keeping a considerable part of the eligible for education. Between 2012 and 2015 the average grade of local school leavers at state matriculation exams in Bulgarian language and literature was higher than the national average. In 2016, under tightened exam administration control, the share of failing grades went over 10%. Though the district of Blagoevgrad continues to be one of the leading university centers in the country, in 2015 the number of students fell for a second successive year to reach 12,084 compared to 13,706 in 2013.

Healthcare ●●

Despite some positive tendencies in recent years, Blagoevgrad is still the district with the worst healthcare in the Southwestern region of the country.

The main problem is the limited number of available beds in multi-profile hospitals for active treatment. Although it has grown for the third year in succession, the ratio of hospital beds to the local population (3.2 beds per 1,000 people) continues to be considerably lower than the 4.6 beds per 1,000 people on average for the country. The ratio between general practitioners and the local population was 1,595 people per general practitioner in 2015 vs. 1,619 per general practitioner in Bulgaria. The number of people per specialist doctor fell for the second year in a row, but was still higher than the national average. In 2015, 89.9% of the population had health

insurance, which exceeds for the first time the national average levels since 2008.

Security and Justice ●●

Although Blagoevgrad is among the districts with the lowest levels of registered crimes in Bulgaria, the rating of the district in this category has been lowered because of the relatively slow work of the local judiciary. In the last two years 11 crimes per 1,000 people have been registered, the average being over 13.5 crimes per 1,000 people. The only district with a higher share of pending criminal cases in the district court is Sofia (capital city), which, however, has a much higher workload for penal judges: 12.5 cases per month compared with 7.9 cases per month for Blagoevgrad. After 2012 there has been a notable tendency for the share of criminal cases cleared within 3 months to increase. In 2015, they reached 84.0%, while still staying below the country average of 88.1%.

In 2015, the clearance crime rate stayed high, reaching 49.3% vs. 39.2% for the country.

Environment ●●●●

The environment in the district of Blagoevgrad remains in a relatively good condition. In 2014, the level of carbon dioxide emissions into the atmosphere fell for the third successive year to 11.3 t/sq. km, which was almost 30 times below the country average levels. Lower figures were observed only in the districts of Dobrich, Kardzhali, Montana, and Smolyan.

The water supply and sewerage network is in a relative good condition. In 2014, over 77% of the population lived in settlements with public sewerage systems. The wastewater processing system remains problematic: only 26.8% of the population with sewerage is connected to wastewater treatment plants vs. national average of 56.8%. In 2015, the reconstruction of the municipal wastewater treatment plant near the Strumsko quarter of Blagoevgrad came to completion.

Culture ●

In 2015, the intensity of cultural life in the district of Blagoevgrad remained way below the national average levels. Relative to the local population, visits to cinemas were 2.5 times lower than the country average, while those to theatres and museums were 2.2 and 2.5 times lower, respectively. The only positive tendencies to be noted were those regarding the interest in local libraries, which, relative to the population, reported 340 visits per 1,000 people or 3 times higher levels than the annual average levels between 2009 and 2013. The national average levels, however, remained much higher, with 583 visits per 1,000 people.

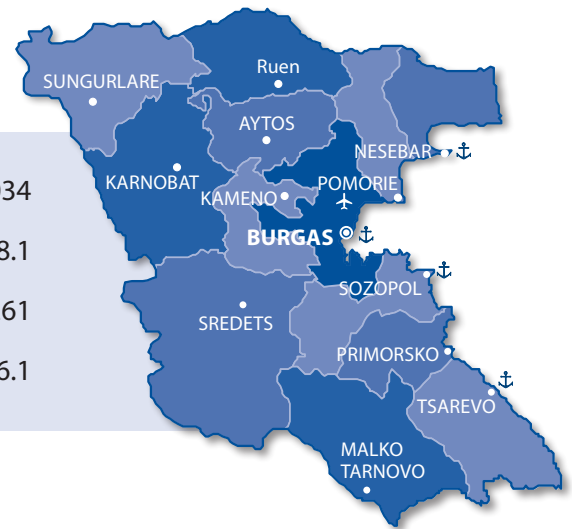
Key Indicators for the District of Blagoevgrad

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	6,398	7,363	7,532	7,605	7,567	n.a.
Average annual income per household member (BGN)	3,077	3,225	3,823	4,132	4,181	4,502
Average annual gross salary (BGN)	5,683	5,990	6,271	6,566	6,818	n.a.
Relative share of people living below the national poverty line (%)	17.6	12.4	15.3	18.2	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	68.3	70.5	73.0	73.2	73.0	70.8
Annual average employment rate of the population aged 15 to 64 (%)	64.3	64.6	65.4	63.3	62.6	63.4
Annual average unemployment rate of the population aged 15 to 64 (%)	5.8	8.4	10.4	13.5	14.1	10.3
Relative share of the population aged 25 to 64 with tertiary education (%)	15.9	16.6	17.7	18.0	19.6	19.5
Number of non-financial enterprises per 1,000 people	50	50	53	55	58	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	1,049	1,228	1,105	1,335	1,563	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	771	798	957	1,116	1,224	n.a.
Relative share of households with internet access (%)	24.3	42.3	54.9	60.5	61.9	63.3
Share of roads in good condition (%)	39.0	56.6	55.0	51.9	49.1	59.7
Share of territory included in cadastral maps (%)	10.4	11.3	11.3	12.8	12.9	13.8

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-1.8	-2.1	-2.6	-2.7	-3.6	-3.4
Net migration rate (‰)	-4.4	-3.2	-4.8	-3.7	-4.5	-5.3
Average grades at state matriculation exams	4.2	4.5	4.2	4.3	4.4	4.2
Percent of failed students at state matriculation exams ("average" 3.00)	4.4	3.5	5.4	3.8	2.7	6.1
Net enrolment rate of the population in 5th–8th grade (%)	84.5	84.5	83.8	83.5	82.9	84.0
Health insured persons as share of the population (%)	86.4	86.6	86.1	84.9	86.3	88.9
Cases of hospitalization in general hospitals per 1,000 people	127	127	160	169	143	183
Registered crimes against the person and property per 1,000 people	15.4	12.8	12.9	12.0	11.1	11.0
Clearance rates for crimes against the person and property registered during the year (%)	50.9	36.1	33.4	39.0	40.6	49.3
Share of pending criminal cases (%)	17.3	1.5	11.9	13.5	10.5	15.4
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	25.8	26.3	26.3	26.5	26.8	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	16.1	21.6	20.8	16.6	11.3	n.a.
Number of visits to cinemas per 1,000 people	267	285	308	323	307	318
Number of visits to theatres per 1,000 people	110	113	104	131	124	138

Burgas District

► Population (2015)	414,034
► Area (sq. km)	7,748.1
► Number of settlements	261
► Share of urban population (%)	76.1



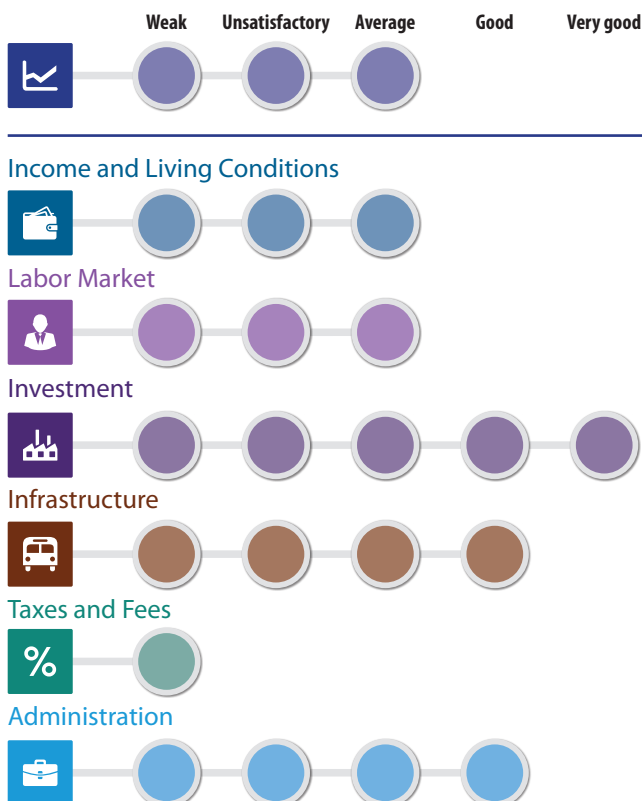
Overview

As the crisis set in, the economy of Burgas district encountered tremendous difficulties. Between 2011 and 2013 there was some recovery, but in 2014 GDP shrank as figures went back to their crisis levels of 2009–2010. A similar tendency was notable in household incomes in the district though salaries went on growing rapidly in 2014. That was probably due to the stable recovery of employment in the district despite the unfavorable educational structure of the workforce. The district ranks among the first in Bulgaria in number of enterprises, domestic investment, and EU fund utilization relative to the population. Foreign investment declined sharply in 2014 but that was due to an

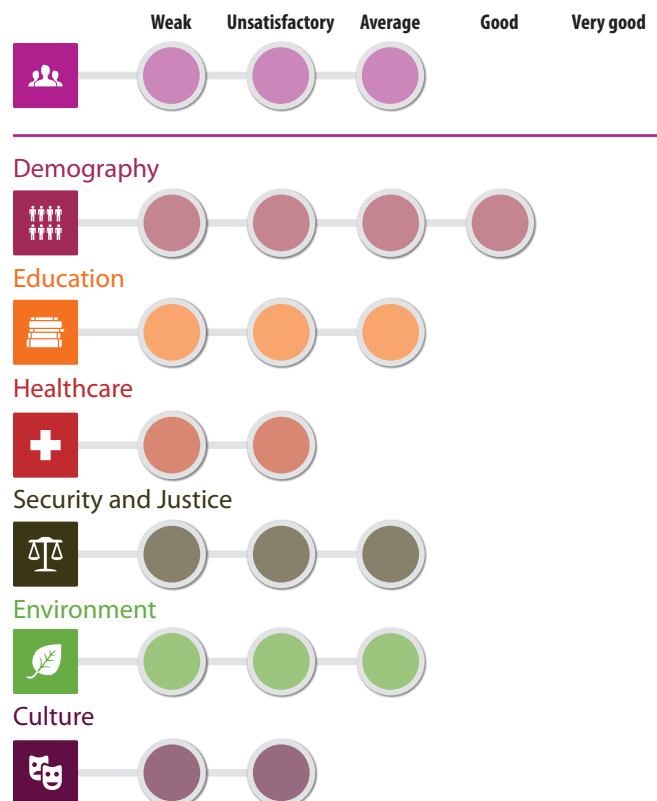
accounting operation between Neftohim and its parent company. Local taxes and fees are relatively high but the administration services are developing and local administrations are relatively transparent.

Demographic tendencies in the district are less negative than those common for the country as a whole. The rate of natural increase remains negative while the district continues to attract people. Healthcare suffers from a shortage of doctors and hospital beds. The number of registered crimes is higher than the average in Bulgaria, but the administration of justice is relatively fast. Interest in libraries and museums in the district is relatively weak.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT

Income and Living Conditions

Before the crisis the economy of Burgas experienced rapid development: in 2005 and 2006 the district's GDP per capita outpaced the national average value. In 2008, Burgas had the fourth highest GDP per capita in the country but as the crisis set in, the district's economy faced huge difficulties. Despite the recovery between 2011 and 2013, in 2014 GDP declined sharply and returned to its crisis level of 2009–2010. It fell by 11% and the district went to the ninth place in Bulgaria with 8,687 BGN per capita (vs. 11,574 BGN per capita for the national level). The same tendency was typical of household incomes in the district in 2014. In 2015, however, the annual average income per household member grew to 4,275 BGN (vs. 4,953 BGN for the country). Salaries in Burgas constituted a smaller share of incomes than the country average share (53% in Burgas vs. 57% in Bulgaria), while the share of pensions was 39% (vs. national average of 27%).

At the same time salaries in the district had a stable growth probably due to the lasting recovery of employment rates since 2012. Still, salaries stayed about 10% lower than the average in 2014.

Labor Market

Economic activity in Burgas kept growing and in 2015 it was higher than the national average for the first time: 69.4% vs. 69.3% for the country as a whole. Employment also had a stable growth after 2012 to reach 62.2% compared with 62.9% in the country. However, the decline in unemployment was more hesitant and its rate remained relatively high: 10.3% vs. the national rate of 9.1%. Furthermore, before the crisis Burgas was among the districts with the lowest unemployment rate – below 4%. A possible explanation can be the relatively unfavorable educational structure of the local population. In 2015, 19.3% of the population aged 25 to 64 had higher education (vs. 27.5% for the country), while 28.8% had primary or lower education (vs. 18.1% for the country).

Investment

A high investment activity characterizes the district. It ranks second in the country (after the capital) in its number of non-financial enterprises per capita: 69 per 1,000 people vs. 53 per 1,000 people in Bulgaria in 2014.

Expenditures on the acquisition of fixed tangible assets remained almost two times higher than the national average, thus again placing Burgas second in the country: 4,471 BGN per capita to 2,786 BGN per capita for the country in 2014.

Burgas also ranks second in utilization of EU funds by municipalities. By May 31st, 2016 the value of payments under contracts with municipalities as beneficiaries in operational programs was 1,413.6 BGN per capita, which is twice the

country average value of 688.8 BGN per capita. In the district it was the municipality of Sozopol that utilized most funds: 4,773.1 BGN per capita, while that of Tzarevo and Sungurlare utilized least (below 100 BGN per capita).

In 2014, direct foreign investment in the district (cumulative) declined dramatically, by 1.5 bln euro. The major reason behind was a matter of accounting, i.e., the decline was due to financial operations between “Lukoil Neftohim Burgas” and its parent company, “Lukoil Europe Holdings” registered in the Netherlands.

Infrastructure

The density of the road and railway network in the district of Burgas is lower than the national average, but thanks to the “Trakia” motorway the share of motorways and first class roads is considerably higher: 25.4% vs. 18.1% for the country in 2014. Yet, in 2015 the quality of road surfaces continued to be lower than the national average, although it showed some improvement compared to the previous year. Almost 40% of the roads in the district have a good quality road surface vs. 40.7% for the country.

Internet access and internet use in the district rose in 2015 to overtake the average values for Bulgaria.

Taxes and Fees

On the whole, the rates of local taxes and fees in the district's municipalities are higher than the national average. In 2016, the municipalities in the Burgas district made the greater number of changes in local taxation: nine of them included increasing the tax burden and two lowering it. The municipality of Pomorie raised three of the monitored five rates and Sungurlare raised two, while Burgas, Sozopol, Malko Tarnovo, and Ruen raised one. The municipalities of Burgas and Primorsko lowered the waste collection charge for immovable properties of legal entities.

Administration

In 2016, municipalities in the district gave themselves a close, though lower than the national average rates of self-assessment for the development of electronic government and providing one-stop shop administrative services.

The rating of the AIP Foundation for the transparency of municipal administrations in the district is higher than the average: 59.50% vs. the national average of 54.25% in 2016. According to the criteria for evaluation the most transparent municipality is that of Burgas, whereas the least transparent one is that of Nesebar.

SOCIAL DEVELOPMENT ●●●●

Demography ●●●●●

In 2015, Burgas had the lowest negative rate of natural increase in Bulgaria after Sofia and Sliven; still, its value followed the negative tendencies in the country as a whole. The district of Burgas also ranks second in the country (after Sliven) with its most favorable age dependency ratio as a ratio of the population aged over 65 to that aged 0 to 14: 119.6% in Burgas vs. 146.4% in Bulgaria in 2015.

In 2015 the net migration rate in the district rose to 2.7‰ and Burgas became the third most attractive settlement destination after the capital and the district of Sofia.

A relatively great part of the population of the district lives in towns, and the density of population in urbanized territories is among the highest in the country.

Education ●●●●

Burgas occupies the second place after Sliven among the districts with the smallest number of teachers in primary and secondary education relative to the number of students. The shares of dropouts and repeaters in primary and secondary education remain below the national average levels, though in 2014 the share of high school dropouts increased for the second successive year, rising extremely fast. In 2015, the rate of enrolment in junior high schools in the district rose against the background of falling enrolment rates nationwide, thus Burgas outpaced the national average figure.

The share of failing grades at state matriculation exams in Bulgarian language and literature rose for a second successive year in 2016 to reach 10.13% (vs. 8.73% national average). At the same time, the average grades of school leavers fell to "good" 4.08 (vs. 4.17 nationwide).

University and college student numbers continued to fall each year to reach 20 students per 1,000 people, while the national average number was 36 per 1,000 people in 2015.

Healthcare ●●

Healthcare in the district of Burgas is still suffering from both a shortage of doctors and an insufficient number of hospital beds. In 2015 there was one general practitioner per 1,944 people, while the national average number was 1,619. A specialist in Burgas was responsible for 647 people, compared to average 544 for the country. Burgas is also among the districts with the smallest number of hospital beds relative to the population. In 2015, that number fell to 2.9 beds in general hospitals per 1,000 people (the national average number being 4.6 per 1,000 people).

The data on the access of the population to health specialists and hospital beds can explain the relatively low number of people who seek medical treatment in the district. In 2015,

patients admitted in general hospitals were 167 per 1,000 people against 232 for the country as a whole.

Security and Justice ●●●●

Despite the relatively high workload of judges in the district, administration of justice is relatively fast. In 2015, 93.0% of criminal cases were closed within 3 months (vs. 88.1% nationwide), whereas the share of pending cases declined to 6.5% (vs. 9.4% in the country).

At the same time, the number of registered crimes against the person and property in the district of Burgas is higher than the national average levels. In 2015, 20.2 crimes per 1,000 people were registered compared to the country average of 13.6 per 1,000 people. The district is also characterized by a relatively low crime clearance rate: 33.5% of the crimes registered in 2015 were cleared compared with the national average of 39.2%.

Environment ●●●●

The concentration of the district's population in urban areas determines the relatively high share of people living in places with access to public sewerage systems and their connectedness with wastewater treatment plants.

The level of carbon dioxide emissions into the atmosphere is also considerably lower than the country average. In 2014 harmful emissions fell to 74.7 t/sq. km, while the national average was 314.5 t/sq. km.

The generated household waste in the district went on exceeding the national average quantities, increasing in 2014 for the second successive year, growing much faster than the national average figure. That year 583 kg waste was generated per person annually in the district of Burgas, compared to 442 kg in the country.

Culture ●●

The district reported a serious interest in cinemas and theatres, while lagging behind in numbers of visits to museums and libraries.

In 2015 visits to cinemas in the district fell to 873 per 1,000 people vs. 744 nationwide. Visits to theatres also declined to 333 per 1,000 people, while they were 302 per 1,000 people nationwide. Contrary to the national tendency, visits to museums fell for the second year in a row to reach 405 per 1,000 people vs. 664 nationally. The greatest variance from the national average was marked in terms of library visits. 130 per thousand inhabitants were reported in Burgas in 2015 vs. the national average of 583; thus visits to libraries in Burgas have been falling in recent years, while rising in the country as a whole.

Key Indicators for the District of Burgas

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	8,725	9,539	9,591	9,806	8,687	n.a.
Average annual income per household member (BGN)	3,279	3,374	3,702	4,234	4,182	4,275
Average annual gross salary (BGN)	7,092	7,359	7,788	8,212	8,834	n.a.
Relative share of people living below the national poverty line (%)	18.3	15.6	19.4	21.4	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	63.6	63.3	64.8	67.5	67.8	69.4
Annual average employment rate of the population aged 15 to 64 (%)	57.5	55.3	57.3	58.9	60.3	62.2
Annual average unemployment rate of the population aged 15 to 64 (%)	9.6	12.6	11.5	12.7	11.0	10.3
Relative share of the population aged 25 to 64 with tertiary education (%)	15.6	17.3	18.6	20.2	18.8	19.3
Number of non-financial enterprises per 1,000 people	63	62	65	67	69	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	2,039	2,379	3,168	4,553	4,471	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	3,847	4,361	4,885	5,885	2,264	n.a.
Relative share of households with internet access (%)	40.6	47.3	53.5	44.8	51.6	63.2
Share of roads in good condition (%)	21.8	22.1	29.0	27.1	35.0	39.5
Share of territory included in cadastral maps (%)	16.2	16.2	16.3	16.3	16.3	20.7

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-2.5	-3.0	-3.3	-3.0	-3.2	-3.4
Net migration rate (‰)	0.0	0.7	-0.2	3.7	2.5	2.7
Average grades at state matriculation exams	4.2	4.4	4.1	4.2	4.3	4.2
Percent of failed students at state matriculation exams ("average" 3.00)	5.8	3.9	6.6	7.0	6.1	7.1
Net enrolment rate of the population in 5th–8th grade (%)	81.0	81.1	81.4	80.1	78.5	79.0
Health insured persons as share of the population (%)	85.6	85.6	84.6	83.2	83.8	85.2
Cases of hospitalization in general hospitals per 1,000 people	98	93	141	166	102	167
Registered crimes against the person and property per 1,000 people	23.1	20.6	20.0	20.0	19.2	20.2
Clearance rates for crimes against the person and property registered during the year (%)	34.6	31.8	30.2	26.9	28.1	33.5
Share of pending criminal cases (%)	5.4	9.3	8.4	7.3	8.9	6.5
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	58.7	60.6	60.7	61.2	61.4	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	54.8	75.3	86.9	90.2	74.7	n.a.
Number of visits to cinemas per 1,000 people	63	101	552	845	927	873
Number of visits to theatres per 1,000 people	172	289	282	317	361	333

Dobrich District

► Population (2015)	181,705
► Area (sq. km)	4,719.7
► Number of settlements	215
► Share of urban population (%)	68.8

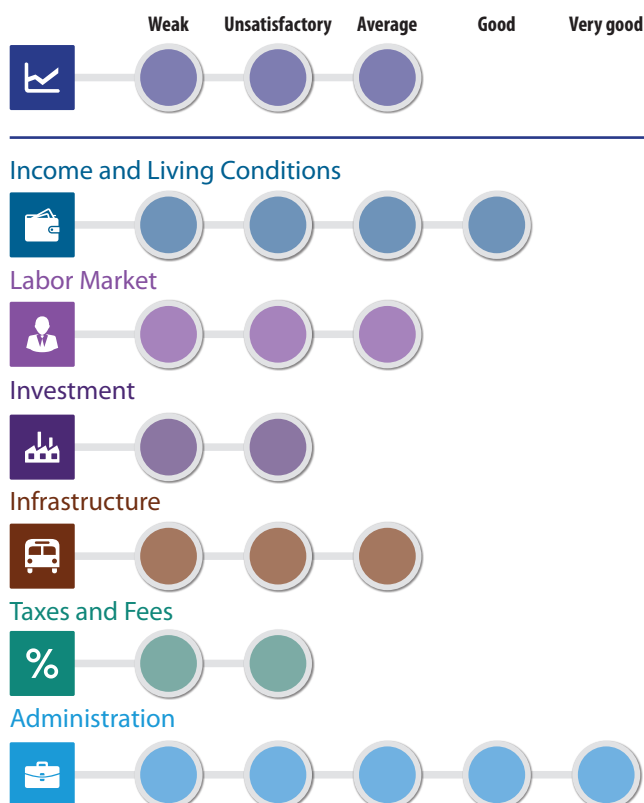


Overview

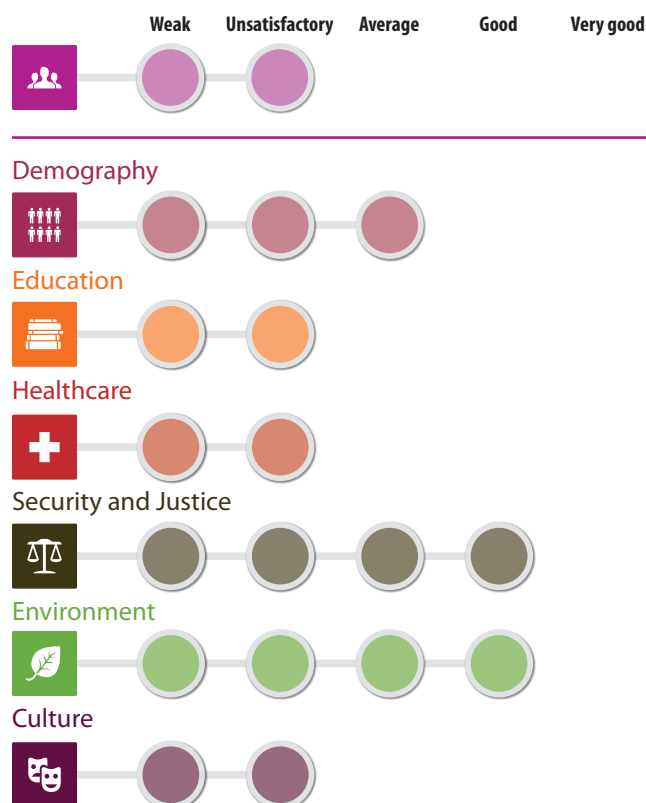
GDP, incomes, and salaries in the district of Dobrich are still lagging behind the national average figures. The labor market is recovering slowly despite the initial low levels, and the educational structure of the workforce has deteriorated considerably. This situation is related both to the business activity in the district and the decline of foreign investment in 2014. The district is among the leaders in the category measuring administration efficiency. Electronic government and one-stop shop services are relatively well developed, the administration is relatively transparent, and

a large part of the territory is covered by cadastral maps. The low rate of natural growth and the growing migration of the population are not favorable for the district's demographic picture. Dobrich has the highest share of high school dropouts and repeaters compared to the national average number, while school leavers get high grades at state matriculation exams. Healthcare continues to suffer from a shortage of specialist doctors and hospital beds. Criminal judges in the district are not overloaded, which contributes to the relatively speedy closing of cases.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ●●●

Income and Living Conditions ●●●●

After shrinking in 2009, the local economy of Dobrich started recovering, but GDP per capita is still much lower than the national average figures. In 2014, it was 7,802 BGN per capita while the national average was 11,574 BGN. Incomes and salaries in the district are also lagging behind national figures. In 2014, the average annual gross salary in the district was 7,802 BGN vs. 9,860 BGN in the country.

At the same time, the share of people living in material deprivation as well as the share of the people living below the national poverty line continued to be lower in 2013.

Labor Market ●●●

In 2015, there were no significant changes in the labor market and little dynamics in indicators. After a three-year growth of economic activity in the district, it dropped by 0.7 pp in 2015, but remaining above the national average – 70.8 and 69.3%, respectively. Employment also shrank slightly in 2015 to 60.9% vs. the national rate of 62.9%. Unemployment shrank to 13.8% (vs. 9.1% for the country) but was still far from its pre-crisis level of 9.7%.

Possibilities for a serious improvement on the labor market in the next few years are limited, having in mind the population's educational structure and the abrupt decrease in investment. The share of the population aged 25 to 64 with higher education is considerably below the national average rate (19.4% vs. 27.5%, respectively), while the share of persons with primary or lower level education, who are often least qualified, is considerably above the national average rate (24.8% in Dobrich vs. 18.1% in the country).

Investment ●●

Dobrich is among those districts where FTA acquisition expenditure dropped abruptly after the crisis in the sector of construction. Compared to their peak in 2009, expenditures on the acquisition of fixed tangible assets per capita were almost 2.5 times lower in 2014: 2,026 BGN per capita. There was a serious net outflow of FDI in 2014, amounting to approximately 188 m euro.

Local administrations in the district utilized less EU funds than the national average relative to the population. As of 31 May 2016 the sums paid to municipality beneficiaries of EU operational programs in Dobrich district amounted to 601.6 BGN per capita while the country average was 688.8 BGN per capita. Relative to the population, the largest sums were utilized by the municipalities of the city of

Dobrich and Kavarna, and the smallest – by the municipalities of Krushari, Shabla, and General Toshevo.

Infrastructure ●●●

The density of the railway network in the district is almost three times lower than that in the country, which can be explained by the location of the district, bordering on water on two sides. The road network density is close to the national average but the share of motorways and first class roads is low. Still, road surface quality is close to the country average: 40.0% of roads in the district vs. 40.7% in Bulgaria in 2015.

Taxes and Fees ●●

Municipalities in the district maintain relatively low rates of the annual license tax for retailers, which is good for the development of small businesses. In 2016, no municipality in the district raised this type of tax, while the municipalities of Dobrich, General Toshevo, and Krushari maintained the lowest rates.

The rates of immovable property tax for legal entities were also lower than the national average levels; within the district this tax was lowest in the city of Dobrich. In 2016, the municipality of Shabla was the only one to raise its immovable property tax from 1.6 to 2.6‰. Waste collection charges were also lower in the district: in 2016, the municipality of Kavarna lowered its rate and together with Shabla they have maintained the lowest level of this fee in the district.

The district's levels of the local tax on the sale of immovable property and vehicle tax have been higher than the average levels in the country.

Administration ●●●●●

The district of Dobrich is rated second after the capital for its high indicators in this category. As usual, the development of electronic government and one-stop shop services have been rated higher than the national average rate – 2016 was no exception in this respect. The active transparency rating of the local government institutions by the AIP Foundation is also relatively high for the district: 58.4% (vs. the national average rate of 54.2%). The most “transparent” municipalities in the district are the city of Dobrich, Krushari, and Balchik (all rated above 65%), whereas the least transparent one is Kavarna (under 30%).

In addition, the district of Dobrich is still among the best achievers in cadastral map coverage: 32.1% vs. the national average of 19.8%.

SOCIAL DEVELOPMENT ●●

Demography ●●●

The natural growth rate of the district continued to drop, reaching -8.5‰ in 2015 vs. the national average of -6.2‰. The age dependency ratio has been similar to the national average figures but less favorable prospects can be predicted because of the low natural growth and the number of people moving out of the district. In 2015, the net migration rate dropped to -3.7‰.

68.8% of the district's population lives in urban areas (vs. 73.1% nationally). In addition to that, population density is decreasing and Dobrich remains the district with the lowest density – less than half of the country's average.

Education ●●

In 2015, Dobrich remained one of the districts with the lowest enrolment rate in 5th–8th grade: 74.6% vs. the national average rate of 78.3%. Furthermore, Dobrich was the district with the highest share of high school repeaters (2.1% in 2015 vs. the national average of 1.0%) and the highest share of high school dropouts (5.0% vs. 2.8%, respectively in 2014).

At the same time, Dobrich was among the districts which had the highest number of teachers in primary and secondary schools relative to the number of students. The district's school graduates performed well at state matriculation exams. In 2015, there were 83 teachers for every 1,000 students, which was the second largest number after that of Smolyan district (91 per 1,000 students).

In 2016, the average grade of the district's high school graduates at the matriculation exam in Bulgarian language and literature was "good" 4.25, which ranked it in the fifth place after Sofia, Varna, Plovdiv, and Smolyan. Poor grades were few: 3.78% while the national average rate was 8.73%.

Healthcare ●●

Despite the relatively high number of general practitioners in the district per person, in 2015 the shortage of specialists placed Dobrich among the districts with the fewest medical specialists: one of them was responsible for 834 people (vs. 544 nationally). Besides, Dobrich was one of the few districts where the number of beds in general hospitals decreased in 2015 to half the average number relative to the population nationally.

This explains the relatively low number of hospitalizations in the district's hospitals. In 2015, they were 128 per 1,000 people, while the national average rate was 232 per 1,000 people.

Security and Justice ●●●●

The relatively low workload of criminal judges in the district court of Dobrich in 2015 (5.5 cases per month per judge at 8.3 in the country) may explain the speedy administration of justice. Of all the cases that were taken to court in the district 94% were solved within three months (vs. 88.1% for the country), and in 2015 the share of pending cases dropped to 7.0% (vs. 9.4% nationwide).

As for the security rating of the district, it stayed close to the country average figures in 2015. The rate of registered crimes fell to 13.1 per 1,000 people (vs. 13.6 per 1,000 people in Bulgaria), whereas the clearance crime rate rose to 36.5% (vs. 39.2% in the country).

Environment ●●●●

Dobrich is among the districts with the lowest level of carbon dioxide emissions into the atmosphere. In 2014, harmful emissions were over 50 times lower than the average figures for the country. The district's rating in this category has been positively affected by the high share of the population with public access to sewerage systems connected to WTP – 70.9% vs. 56.8% in the country in 2014. Though all wastewater from the sewerage network in the district is treated in treatment plants, the sewerage system itself has not been renovated.

Culture ●●

In 2014 and 2015, visits to the cinema in the district increased more than 4 times to reach over 20,000 annually, but that number was still considerably below the national average. In 2015, there were 120 visits per 1,000 people registered in the district vs. 744 per 1,000 people in the country.

Visits to theatres and libraries in the district of Dobrich continued to maintain relatively low levels. In 2015, theatre visits dropped compared to those in 2014. Yet, on the whole, they were above the figures of 2009–2010. Registered library visits also increased in the last few years but not sufficiently to reach the national figures relative to the population.

The number of museum visits was above the average number for the country, but it has been declining steadily in recent years.

Key Indicators for the District of Dobrich

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	6,748	7,201	7,440	7,747	7,802	n.a.
Average annual income per household member (BGN)	3,013	2,994	3,856	4,166	4,091	4,049
Average annual gross salary (BGN)	6,130	6,394	6,738	7,164	7,581	n.a.
Relative share of people living below the national poverty line (%)	28.7	23.0	20.0	19.9	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	67.5	66.0	69.0	70.7	71.5	70.8
Annual average employment rate of the population aged 15 to 64 (%)	56.3	54.4	58.3	59.4	61.2	60.9
Annual average unemployment rate of the population aged 15 to 64 (%)	16.4	17.3	15.4	15.8	14.3	13.8
Relative share of the population aged 25 to 64 with tertiary education (%)	17.9	18.4	18.3	18.4	18.4	19.4
Number of non-financial enterprises per 1,000 people	47	48	48	51	51	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	1,941	1,975	1,756	2,052	2,026	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	1,520	1,236	1,398	1,632	614	n.a.
Relative share of households with internet access (%)	24.1	36.2	49.7	54.1	49.6	58.5
Share of roads in good condition (%)	47.9	45.2	46.0	45.8	39.3	40.0
Share of territory included in cadastral maps (%)	32.1	32.1	32.1	32.1	32.1	32.1

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-5.9	-5.7	-6.8	-6.7	-7.4	-8.5
Net migration rate (‰)	-5.6	-3.7	-2.5	-2.8	-2.8	-3.7
Average grades at state matriculation exams	4.3	4.4	4.2	4.3	4.3	4.3
Percent of failed students at state matriculation exams ("average" 3.00)	3.9	2.6	3.2	4.1	2.9	2.9
Net enrolment rate of the population in 5th-8th grade (%)	84.9	83.4	81.8	79.2	76.4	74.6
Health insured persons as share of the population (%)	83.9	86.6	85.4	84.0	84.6	85.9
Cases of hospitalization in general hospitals per 1,000 people	127	132	136	134	135	128
Registered crimes against the person and property per 1,000 people	14.5	13.0	12.6	13.5	13.7	13.1
Clearance rates for crimes against the person and property registered during the year (%)	49.4	39.4	38.4	35.2	32.8	36.5
Share of pending criminal cases (%)	6.3	7.4	7.3	7.2	11.2	7.0
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	67.7	69.4	70.7	70.8	70.9	n.a.
Carbon dioxide emissions into the atmosphere (t/km2)	7.5	20.2	4.3	5.2	5.9	n.a.
Number of visits to cinemas per 1,000 people	58	65	24	28	125	120
Number of visits to theatres per 1,000 people	77	214	205	245	261	240

Gabrovo District

► Population (2015)	115,312
► Area (sq. km)	2,023.0
► Number of settlements	356
► Share of urban population (%)	81.8



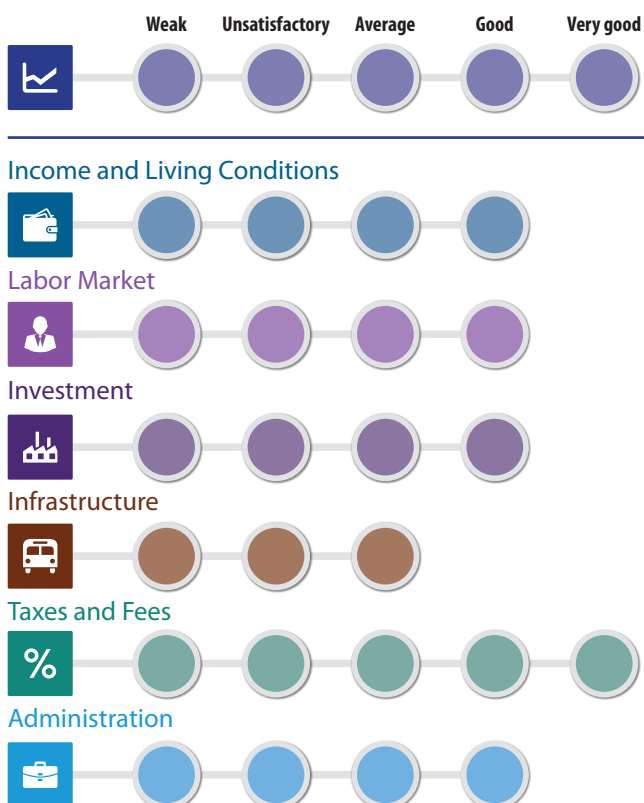
Overview

Gabrovo ranks second in Bulgaria in both economic and social development after Sofia (capital city). The district ranks fifth in GDP per capita, incomes in the district are higher than the national average, and salaries have been rising at a stable rate. For the fifth consecutive year, the municipalities in the district have utilized the greatest amount of EU funds per capita in comparison with all other districts. Gabrovo is one of the districts where electronic government and administrative one-stop shop services are relatively well developed, and mu-

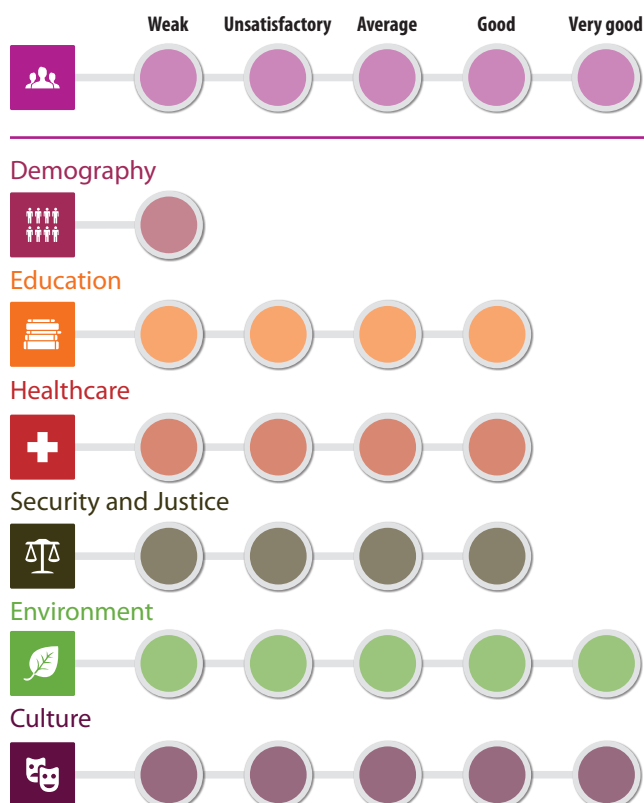
nicipal administrations are rated relatively high for transparency.

The demographic situation in the district is rapidly deteriorating. Education and healthcare indicators show an overall good condition of these sectors in the district. Judges have relatively low workloads, which contributes to speedy justice administration. The rate of solved crimes is higher than the national average. Visits to cinemas, theatres, museums, and libraries place Gabrovo second in the country in terms of cultural life intensity – immediately after the capital.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT

Income and Living Conditions

After the crisis began, Gabrovo's GDP was about 1 bln BGN. Because of the rapid deterioration of the demographic picture in the district, GDP per capita rose steadily after 2010, and in 2014 Gabrovo took the fifth place in the country with a GDP per capita of 9,804 BGN. In 2015, incomes in the district rose to reach 5,102 BGN per household member, which was above the national average of 4,953 BGN. Again, for reasons connected with demographic processes, household income structure showed a share of pensions in household incomes larger than the national average as well as a lower share of salaries. Salaries of employed people in the district also rose but in 2014 they were still below the national average.

Labor Market

In 2015, Gabrovo was again among the districts with the population's economic activity at its highest: 73.0% vs. the national average of 69.3%. After four years of growth, the rate of employment in Gabrovo reached 67.4% (vs. 62.9% nationwide), which was the third highest rate in Bulgaria after Sofia and Varna. The positive trends in the district's labor market were complemented by the falling unemployment rates. In 2015, unemployment fell to 7.5% (vs. 9.1% for the country).

The share of working age people with higher education in the district is close to the country average: 26.8 and 27.5%, respectively, but the share of people with primary or lower education in 2015 was much below the country average figure (11.3% vs. 18.1%). This partially explains the high levels of economic activity and employment in the district. As a result of the ongoing demographic processes the district shows the second worst ratio of demographic replacement (the ratio between the population aged 15 to 19 to that aged 60 to 64): in 2015, it was 48.1% vs. 63.5% for the country. This means that for every 100 people about to leave the labor market in the coming few years there are only 48 young people about to join it.

Investment

In 2014, FTA acquisition expenditure in the district rose considerably and was almost equal to the national average figures relative to the population. As of the end of 2014, foreign direct investment in non-financial enterprises in the district reached 265 m euro or 2,299.9 euro per capita vs. 3,006.6 euro per capita for the country.

Municipalities in the district have utilized the greatest amount of EU funds per capita for the fifth successive year. As of 31 May 2016, the sums paid to municipalities as beneficiaries of operational programs in the district amounted

to 1,443.8 BGN per capita, which is twice the national average level of 688.8 BGN per capita. The municipalities of Gabrovo (2,046.6 BGN per capita) and Tryavna (1,315.2 BGN per capita) utilized the greatest amount of funds, whereas that of Dryanovo utilized the least amount of EU funds – 242.3 BGN per capita.

Infrastructure

The density of the road and railway networks in the district is higher than the national average. At the same time, the share of first class roads in it is relatively low. In 2015, after rising for five years in succession, the share of road surfaces in good condition reached 42.2% (vs. the national average share of 40.7%).

The number of people who have access to the internet and use it is relatively small. In 2015, households with internet access in the district of Gabrovo made up 49.4% (vs. 59.1% for the country). The share of people aged 16 to 74 who had used the internet in the previous year was 54.8% (vs. 60.3% in the country).

Taxes and Fees

The relatively low local taxes and fees in the district's municipalities place the district among those with the best taxing conditions. In 2016, the municipality of Sevlievo raised the rates for the four monitored taxes, while that of Gabrovo raised the rate of the vehicle (74–110 kW) tax. The waste disposal fee for immovable property of legal entities did not change and the district average figure remained twice lower than the national one. The rates of the annual license tax for retailers were also considerably lower.

Administration

The development of electronic government and one-stop shop administrative services in Gabrovo was better compared to the country average level in 2016. The district also had some of the highest ratings in the Local Integrity Index of Transparency International and the rating of active transparency of local authorities of the AIP Foundation. In 2016, the active transparency rating of local government in Gabrovo district was 61.3% compared to 54.2% for the country as a whole. All four municipalities in the district were rated above 50%, while the municipality of Sevlievo got the highest rate of 65.6%.

Cadastral map coverage of the district's territory did not increase in 2015, yet it remained above the national average. A little over 1/5 of the territory was covered by cadastral maps.

SOCIAL DEVELOPMENT ●●●●●

Demography ●

After a rapid deterioration of the demographic picture in the district in recent years, Gabrovo overtook Vidin in becoming the district with the highest age replacement ratio (the ratio of people aged 65+ to those aged 0 to 14). In 2015, it reached 242.1% vs. the national average of 146.4%. The natural growth rate fell to -12.5‰, which is twice lower than the national average of -6.2‰.

Besides, the age dependency ratio (the ratio of the population aged 65+ to that aged 0 to 14) in the district of Gabrovo was the second highest in the country after that of Vidin. Gabrovo is also among the districts with the lowest net migration rate: in 2015, it reached -5.5‰.

The majority of the population is concentrated in towns: 81.8% compared to the national average of 73.1%. However, population density in the district is still lower than the national average.

Education ●●●●●

In 2015, the enrolment rate of the population in 5th–8th grade rose to 78.7%, thus exceeding the national average of 78.3%, which, on its part, declined in comparison to 2014.

The shares of repeaters and dropouts in primary and secondary school in the district remain below the country average. In 2015, 0.8% of students in primary and secondary education in Gabrovo dropped out, whereas 2.2% repeated the school year in 2014.

School leavers in the district did relatively well at matriculation exams in Bulgarian language and literature in 2016. Gabrovo is one of the districts with a relatively lower share of failing grades. The average grades went down but stayed close to the country average figure.

Gabrovo is one of the few districts where the number of college and university students has been on the rise during the last few years. In 2015, it reached 6,612, which makes 57 students per 1,000 people vs. the national average of 36 students per 1,000 people.

Healthcare ●●●●●

The rate of general practitioners to the population is higher in Gabrovo district compared to the rest of the country. In 2015, there were 1,517 people per GP in Gabrovo vs. 1,619 in the country, as well as 489 people per medical specialist in Gabrovo vs. 544 on average in the country.

Gabrovo is also among the districts with the highest percentage of health-insured people. In 2015, it rose to 95.5% (vs. 88.8% in the country). The number of hospital beds relative to the population is also high. In 2015, there were 5.3 beds per 1,000 persons, while nationally there were 4.6 beds.

The relatively easy access of the population to doctors and hospital treatment determines the great number of hospi-

talizations, that is, the population relies on healthcare inside the district.

Infant mortality rates were among the lowest in Bulgaria in 2015.

Security and Justice ●●●●●

The workloads of judges in Gabrovo district have been relatively low, hence the relatively speedy administration of justice in 2015. The share of criminal cases closed within three months was 95.0% vs. 88.1% for the country, the share of pending cases was 6.2 and 9.4%, respectively.

In 2015, the number of registered crimes against the person and property rose slightly after a downward trend that had lasted for several years, but remained close to the average for Bulgaria relative to the population: 13.5 per 1,000 people in the district and 13.6 per 1,000 people in the country. Despite the commensurate rate of registered crimes in Gabrovo and the country, in 2015 the clearance crime rate in Gabrovo was higher than the country average: 51.2% vs. 39.2%, respectively.

Environment ●●●●●

As Gabrovo is a district with predominantly urbanized population and high economic development, a relatively large part of the population lives in areas with access to public sewerage (85.2% vs. 74.9% national average) and to sewerage connected to a WWTP (66.8% for the district vs. 56.8% for the country) in 2014.

Besides, Gabrovo is one of the districts with the lowest level of carbon dioxide emissions into the atmosphere: 31.0 t harmful emissions per sq. km in 2014, which is ten times lower than the national average of 314.5 t/sq. km.

Culture ●●●●●

In 2015, the district once again ranked first in museum visits per 1,000 people with almost 350,000 total visits or 2,979 per 1,000 people, whereas the country average was 664 per 1,000 people. The theatres in the district also succeeded in attracting a greater number of people than the national average. In 2015, 43,000 theatre visits were registered, which makes 370 per 1,000 people (vs. 302 per 1,000 people nationwide).

In 2015, library visits rose in the district of Gabrovo, exceeding the national average figures relative to the population. Cinema visits rose to reach 379 per 1,000 people, but were still twice fewer than the national average.

On the whole, Gabrovo ranks second in the country in terms of intensity of cultural life, immediately after Sofia (capital city).

Key Indicators for the District of Gabrovo

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	7,711	8,816	9,194	8,985	9,804	n.a.
Average annual income per household member (BGN)	3,113	3,351	4,408	4,858	4,787	5,102
Average annual gross salary (BGN)	6,591	6,827	7,399	7,912	8,283	n.a.
Relative share of people living below the national poverty line (%)	21.3	25.0	24.6	12.8	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	66.7	66.0	68.0	72.2	72.1	73.0
Annual average employment rate of the population aged 15 to 64 (%)	61.4	59.6	61.4	65.8	66.1	67.4
Annual average unemployment rate of the population aged 15 to 64 (%)	7.5	9.9	9.6	8.8	8.1	7.5
Relative share of the population aged 25 to 64 with tertiary education (%)	24.2	25.0	25.1	24.9	26.3	26.8
Number of non-financial enterprises per 1,000 people	48	48	48	48	48	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	830	1,345	1,181	1,534	2,598	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	1,747	2,224	2,245	2,172	2,300	n.a.
Relative share of households with internet access (%)	33.5	39.8	34.8	48.2	64.4	49.4
Share of roads in good condition (%)	24.6	31.4	32.0	36.4	41.5	42.2
Share of territory included in cadastral maps (%)	21.2	21.2	21.2	21.2	21.3	21.3

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-9.3	-9.7	-11.2	-10.7	-11.6	-12.5
Net migration rate (‰)	-8.3	-2.2	-0.9	-3.6	-4.8	-5.5
Average grades at state matriculation exams	4.3	4.5	4.2	4.3	4.4	4.2
Percent of failed students at state matriculation exams ("average" 3.00)	5.3	4.2	4.7	3.7	4.3	6.6
Net enrolment rate of the population in 5th–8th grade (%)	77.4	79.5	78.5	78.3	77.6	78.7
Health insured persons as share of the population (%)	91.1	94.2	93.5	92.7	94.0	95.5
Cases of hospitalization in general hospitals per 1,000 people	195	201	239	261	246	258
Registered crimes against the person and property per 1,000 people	16.5	15.7	14.1	14.1	12.7	13.5
Clearance rates for crimes against the person and property registered during the year (%)	58.2	55.6	61.7	56.7	52.2	51.2
Share of pending criminal cases (%)	4.7	8.4	6.6	7.6	12.1	6.2
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	65.0	66.6	66.7	66.8	66.8	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	35.6	41.1	35.3	30.7	31.0	n.a.
Number of visits to cinemas per 1,000 people	97	103	69	154	145	379
Number of visits to theatres per 1,000 people	299	293	293	322	399	370

Haskovo District

► Population (2015)	237,024
► Area (sq. km)	5,533.3
► Number of settlements	261
► Share of urban population (%)	72.0



Overview

Haskovo has remained among the less developed districts in the country. In 2015, the positive trends in the labor market were retained: employment rose and unemployment fell considerably. Salaries, however, have remained among the lowest in the country. Local investment increased, though Haskovo continued to suffer from a lack of foreign capital. EU fund utilization intensified, including the district center. Administrative services improved but there were still challenges with regard to transparency and integrity ratings of local administrations.

Demographic tendencies in the district of Haskovo continued to be determined by the strongly negative natural increase of the population. The share of children enrolled in the school system dropped and results at matriculation exams got worse in 2016. The share of health-insured people rose. The district was relatively safe compared to the rest of the country, while the work of law enforcement was relatively speedy and efficient. Cultural activities grew more popular, and visits to the cinemas, theaters, and museums increased in 2015.

ECONOMIC DEVELOPMENT



Income and Living Conditions



Labor Market



Investment



Infrastructure



Taxes and Fees



Administration



SOCIAL DEVELOPMENT



Demography



Education



Healthcare



Security and Justice



Environment



Culture



ECONOMIC DEVELOPMENT ●●

Income and Living Conditions ●●●

In 2014, GDP per capita was 6,386 BGN in Haskovo, placing the district in the 23rd position among the 28 districts in the country. Incomes in the district have gradually been recovering; a relatively higher contribution from pensions and self-employment is noticeable. The annual average gross salary reached 6,947 BGN in 2014, though it remained among the lowest in the country.

In 2013, the share of people living below the national poverty line declined to reach 19.8%, its lowest level since 2008. The share of people living in material deprivation stayed at levels lower than the national average: 27.4% in 2013. The ratio between the incomes of the richest and the poorest 20% of households was about 5 times.

Labor Market ●●●

The labor market in the district of Haskovo was moving towards a stable recovery in 2015, when the employment rate of the population over 15 reached 63.1%. Unemployment also experienced a stable decline in the last four years: from 15.9% in 2011 to 8.6% in 2015. The demographic replacement ratio remained about 60 to 61% between 2013 and 2015, which means there were 60–61 people aged 15 to 19 joining the workforce for every 100 people between 60 and 64 leaving it.

The share of people with higher education in the district has declined. In 2015, 18.7% of the population aged between 25 and 64 had higher education. At the same time, the share of people with primary or lower education between 25 and 64 slightly decreased, reaching 22.6% in 2015, yet staying below the national average.

Investment ●

Haskovo was one of the districts which attracted the least foreign capital in the country. In 2014, the cumulative investment in non-financial enterprises in the district amounted to 259 euro per person. However, expenditure on the acquisition of FTA grew and reached 321 m BGN in 2014.

EU fund utilization by the district's municipalities increased in the last few years, though it continued to lag behind the country average levels. As of 31 May 2016, EU fund payments to municipalities in Haskovo district reached 129 m BGN. Relative to the population, the best performance was registered by the municipality of Svilengrad with 45 m BGN utilized. An improvement was noticeable in Haskovo, the district center, where payments reached 52 m BGN.

Infrastructure ●●●

The density of the road network in the district remained above national average levels. The completion of the “Maritsa” motorway in 2015, which provided connectivity to the “Trakia” motorway, was an important factor in the district's development, and it raised the share of motorways and first class roads in it. Road surface quality also increased (33.1% of it was in good condition in 2015), though it remained below national average levels.

Internet access and its usage remained below the country typical values. In 2015, 54.2% of households in the district of Haskovo had internet access and the relative share of people between 16 and 74, who had used the internet in the last 12 months, dropped to 56%.

% Taxes and Fees ●

Local taxes and fees in the municipalities of the district of Haskovo have stayed close to national average levels. The municipalities with high taxes were Madzharovo, Stambolovo, and Mineralni Bani. Local taxes in the district center also remained relatively high: a 2‰ rate on the immovable property tax for legal entities and a 2.6‰ rate on property sale tax. The municipalities of Lyubimets and Harmanli had lower tax rates.

The waste collection fee for immovable property of legal entities has remained high in the district's municipalities in recent years. The highest rates of that fee have been registered in the municipalities of Simeonovgrad (15.00‰), Ivaylovgrad (12.13‰), and Haskovo (12.00‰), and the lowest ones were registered in Mineralni Bani (7.00‰), Stambolovo (7.00‰), and Dimitrovgrad (8.00‰).

Administration ●●●

The level of provided electronic services in most municipalities of the district of Haskovo is “third degree”, which suggests the possibility of the so-called two-way interaction. One-stop shop services in most municipalities have reached the level of “working stage”. Cadastral map coverage is among the lowest in the country, spanning only 3.8% of the district's territory; only the municipalities of Haskovo, Dimitrovgrad, and Harmanli have partial coverage above that rate.

Municipalities in the district have been lagging behind in the Active Transparency Rating of local government by the AIP Foundation. The best performance in this indicator was that of Dimitrovgrad, Svilengrad, and Lyubimets, whereas the worst was that of Madzharovo and Mineralni Bani. The rating of Haskovo (the district center) itself was very low in the Local Integrity System Index of Transparency International.

SOCIAL DEVELOPMENT ●●●

Demography ●●●

Haskovo district is the 11th largest in population number. In 2015, the population was 237,024 people, about 72% of which living in towns in the last few years. The stable tendency for population decline in the district is determined by the high negative growth of the population (around -8.0‰ in 2014 and 2015). In the last two years the net migration rate turned around, now being slightly positive (2.5‰ in 2015), which can be explained by the acceptance of refugees in the district.

Age dependence ratios have been deteriorating in comparison to the average national figures. In 2014, the population aged 65 and over was about 1.5 times more numerous than that aged 0 to 14, constituting about 1/3 of the working age (15 to 64) population.

Education ●●

The number of students in primary and secondary education in Haskovo was 24,370 in 2015. The number of children enrolled in the school system has been observed to decline in recent years. The net enrolment rate of the population in 5th–8th grade dropped to 77.8%. The relative share of dropouts from primary and secondary education rose to 2.8% in 2014, while the share of repeaters dropped to 1.0% in 2015.

The district's average grade at the matriculation exam in Bulgarian language and literature dropped and for the first time stayed below the "good" 4.00 line, reaching "good" 3.98 in 2016. The share of failing grades increased. In 2016, 12.6% of students got grades below "average" 3.00 in Bulgarian language and literature. There is no higher education institution in the district but there are affiliates of the Trakiyski University and the University of National and World Economy. The number of students in the Haskovo district was barely 257 in 2015.

Healthcare ●●

Haskovo has been lagging behind the rest of the country in capacity of healthcare institutions. The number of beds in general hospitals in the district remained close to 781 in 2015, which makes 3.3 hospital beds per 1,000 people (vs. 4.8 in the country). The number of hospitalizations increased to almost 47,000 people or 198 per 1,000 people.

The share of health-insured people rose to reach 89.1% in 2015. The infant mortality rate dropped to 6‰ in 2015, a record low in the district for the last ten years. There was a

considerable shortage of doctors in the district. Specialized medical services were concentrated in the district center Haskovo.

Security and Justice ●●●●

12.1 crimes against the person and property per 1,000 people were registered in the district in 2015. Though the crime rate slightly increased in recent years, it still remained below the national average levels. The clearance rate of crimes against the person and property went up to reach 48.4% (vs. 39.2% on average in the country).

In 2015, the share of criminal cases in the district court that were closed within three months rose to reach 94.0%, and the share of pending criminal cases as of the end of 2015 was about 7.1% (vs. 9.4% on average in the country). The workloads of judges in the district of Haskovo remained relatively higher: in 2015, it reached 9.8 cases per judge per month (vs. 8.3 cases a month on average for the country).

Environment ●●●

Haskovo remained among the districts with relatively high levels of carbon dioxide emissions into the atmosphere, 183.2 t/sq. km in 2014. Generated household waste increased to reach 392 kg per capita in 2014, which was still below national average levels.

Almost 72% of the district's population lived in areas with public sewerage in 2014. After 2011 almost half of it (46.7% in 2014) had access to sewerage connected to WWTPs. The WWTP of Dimitrovgrad was launched at the end of 2010 and that of Haskovo was launched in mid-2011, which has considerably reduced the pollution of the Maritsa river.

Culture ●

In 2015, the intensity of cultural activities in Haskovo increased, but the district continued to lag behind the national average levels. Visits to cinemas and museums considerably increased in 2015 as the cinema visits reached 25,000 and museum visits reached 41,000. In 2015, visits to theaters rose to reach 72,000. Library visits stayed close to established levels of 76,000 annually.

Key Indicators for the District of Haskovo

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	5,306	6,095	6,311	6,136	6,386	n.a.
Average annual income per household member (BGN)	3,634	3,708	3,855	4,130	4,157	4,321
Average annual gross salary (BGN)	5,638	5,999	6,267	6,581	6,947	n.a.
Relative share of people living below the national poverty line (%)	21.1	21.1	22.0	19.8	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	70.8	64.6	64.7	68.2	69.2	69.0
Annual average employment rate of the population aged 15 to 64 (%)	61.4	54.3	55.0	58.4	61.9	63.1
Annual average unemployment rate of the population aged 15 to 64 (%)	13.2	15.9	14.9	14.3	10.4	8.6
Relative share of the population aged 25 to 64 with tertiary education (%)	19.4	17.1	18.5	20.3	19.3	18.7
Number of non-financial enterprises per 1,000 people	46	46	46	47	47	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	666	784	1,612	867	1,347	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	262	420	388	311	259	n.a.
Relative share of households with internet access (%)	26.4	41.3	47.5	54.2	57.5	54.2
Share of roads in good condition (%)	51.5	42.0	44.0	33.6	30.0	33.1
Share of territory included in cadastral maps (%)	3.8	3.8	3.8	3.8	3.8	3.8

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-6.4	-6.6	-6.7	-6.8	-8.0	-7.9
Net migration rate (‰)	-6.6	-4.0	-2.8	-3.1	1.0	2.5
Average grades at state matriculation exams	4.2	4.3	4.1	4.1	4.1	4.1
Percent of failed students at state matriculation exams ("average" 3.00)	7.1	7.2	8.4	7.3	7.5	9.2
Net enrolment rate of the population in 5th–8th grade (%)	80.8	82.3	82.9	81.6	80.5	77.8
Health insured persons as share of the population (%)	86.3	88.3	87.5	86.2	87.3	89.1
Cases of hospitalization in general hospitals per 1,000 people	140	147	180	198	188	198
Registered crimes against the person and property per 1,000 people	13.3	11.8	10.4	11.0	11.2	12.1
Clearance rates for crimes against the person and property registered during the year (%)	49.3	40.8	42.8	36.3	41.9	48.4
Share of pending criminal cases (%)	8.0	8.4	8.2	7.2	13.3	7.1
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	0.0	46.7	46.7	46.9	46.7	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	227.2	196.3	150.3	203.5	183.2	n.a.
Number of visits to cinemas per 1,000 people	23	23	69	53	46	105
Number of visits to theatres per 1,000 people	139	203	211	238	221	302

Kardzhali District

► Population (2015)	151,686
► Area (sq. km)	3,209.1
► Number of settlements	472
► Share of urban population (%)	41.1

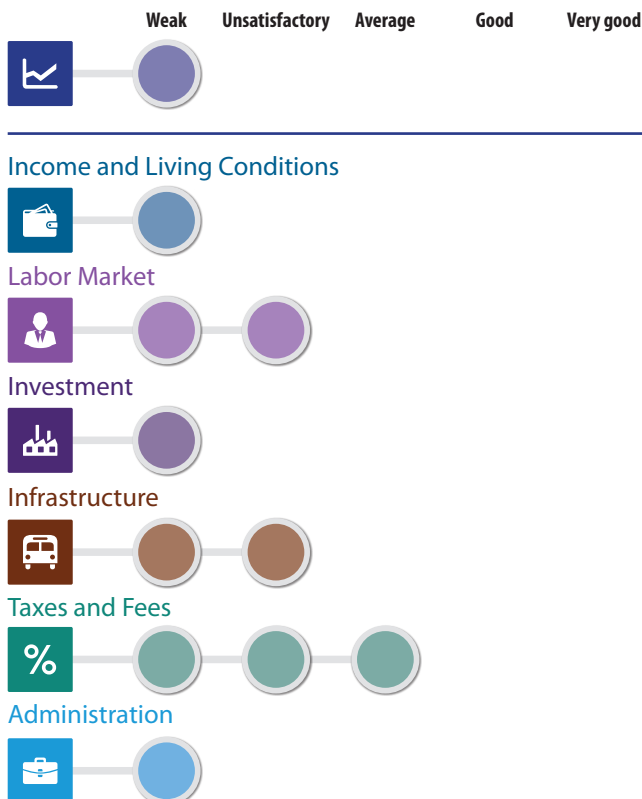


Overview

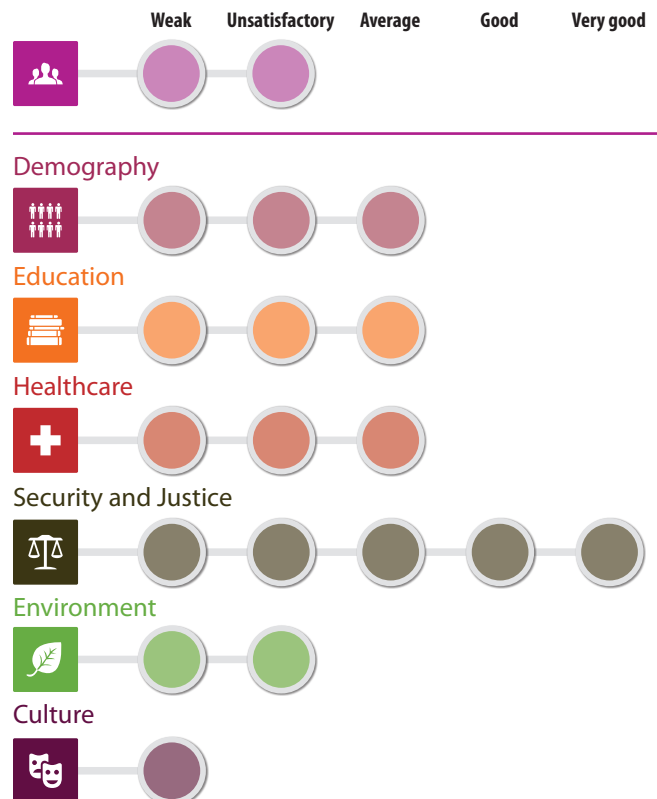
After a hard recovery from the crisis, GDP in the district of Kardzhali was again declining in 2013–2014, placing it among the five districts with the lowest rate of GDP per capita. The low unemployment rate is not related to high employment but to low economic activity. The probable cause for this fact is the exceptionally unfavorable educational structure of the population. Investment activity is low but local administrations in the district have utilized considerable EU funds. Infrastructure is not well developed and administration is not sufficiently modernized or transparent in its operation. The demographic picture in

the district is still more favorable than it is in the country but the population is ageing rapidly. The shares of high school dropouts and repeaters are still among the lowest but performance at state matriculation exams has deteriorated abruptly. Healthcare in the district suffers from insufficient number of doctors and hospital beds. Kardzhali is one of the most secure districts to live in, judging by the number of registered crimes. A great part of the population still has no access to public sewerage systems, and the share of those connected to waste water treatment plants is insignificant. Kardzhali is the district with the least developed cultural life.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ●

Income and Living Conditions ●

After a hard post-crisis recovery, GDP in the district of Kardzhali shrank again in 2013 and 2014. This is why Kardzhali was among the five districts with the lowest GDP per capita in Bulgaria in 2014 – almost half the national average level (6,041 BGN and 11,574 BGN, respectively).

Having declined for years on end, in 2015 the average annual income in the district reached 3,393 BGN per household member, thus taking the last but one place in the country. Salaries in the district are also much lower than the national average level despite their rise in the last few years. In 2014, the average annual gross salary of employed people in the district of Kardzhali reached 7,222 BGN vs. 9,860 BGN for the country.

The problems in the economy and incomes account for the high share of the population living in material deprivation: 41.6% for the district vs. 33.1% for the country.

Labor Market ●●

After four years of growth, in 2015, employment rate decreased again in Kardzhali to 58.8% while the national average was 62.9%. Parallel to that, the economic activity of working age population dropped abruptly, the district joining the three districts with lowest economic activity in 2015: 60.3%, which is lower by 9 pp than the general indicator for the country (69.3%). The unemployment rate was very low: 2.3% for the district vs. 9.0% for the country in 2015. However, that was due to the fact that a great part of the population was not economically active, i.e., not actively looking for work.

The high share of inactive people is related to the population's exceptionally bad educational structure. 17.2% of people aged between 25 and 64 have higher education (vs. 27.5% nationally) and 35.1% have primary or lower education (vs. 18.1% nationally).

Investment ●

In 2014, for the fourth successive year, Kardzhali was the district with the smallest number of non-financial enterprises – 30 per 1,000 people (compared to 53 per 1,000 people nationally). FTA acquisition expenditure was also more than twice lower than the national average level, though it rose in 2014 to 1,240 BGN (vs. 2,786 BGN for the country). Since 2010 the district has enjoyed a stable influx of foreign investment but levels remain low. The cumulative foreign direct investment was 949 euro per capita or three times lower than the national average.

The municipalities in the district have utilized more EU funds than the national average figure. As of 31 May 2016, the sums paid to municipal beneficiaries from EU operational programs reached 729.8 BGN per capita (vs. 688.8 BGN on average in the country). The municipalities

of Kardzhali and Momchilgrad utilized most funds (over 1,000 BGN per capita) while the municipality of Kirkovo utilized least (44.5 BGN per capita).

Infrastructure ●●

Having in mind the peripheral location of Kardzhali in the country and the district's mostly mountainous relief, it has one of the lowest railroad densities (2.1 km per 100 sq. km territory vs. 3.6 km per 100 sq. km nationally) and one of the lowest shares of first class roads from the national road network (11.1% in Kardzhali vs. 18.1% in the country) in 2014. The quality of roads is not good either. In 2015, the share of road surfaces in good condition declined to reach 27.5%, while the national average was 40.7%.

Access to internet and its usage by the population are more limited than the national average levels as well.

Taxes and Fees ●●●

Contrary to nationwide tendencies, none of the municipalities in the district raised local taxes and fees in 2016. What is more, three municipalities lowered their rates compared to 2015. The municipality of Ardino lowered the immovable property tax for legal entities; the municipality of Kardzhali lowered the annual waste collection charge for properties of legal entities, and the municipality of Momchilgrad lowered the vehicle tax (from 74 to 110 kW).

On the whole, the municipalities in the district have maintained relatively low rates for immovable property tax and vehicle tax, as well as the annual license tax for retailers. The only rate higher than the average is that of the waste collection fee.

Administration ●

Kardzhali has been lagging behind in all indicators included in this category. The development of electronic government and that of one-stop shop services in the municipalities has been slow and uneven. In 2016, the local administration transparency had again a low rating: 42.6% while the national average was 61.6%. The most transparent municipality in the district was that of Kardzhali with 45.5%, but even that rating was below the national average level. The least transparent administration was the municipality of Ardino, rated at 27.7% in 2016.

Cadastral map coverage of the district's territory has remained problematically low in Kardzhali. In 2015, it was 3.4% for the sixth successive year. Three of the seven municipalities have not been covered by cadastral maps at all (Ardino, Momchilgrad, and Tchernoochene), whereas coverage in the remaining four municipalities is about 4 to 5%.

SOCIAL DEVELOPMENT ●●●

Demography ●●●

The demographic situation in the district is still more favorable than that in the country, though the population has been ageing faster than the national average rate during the last ten years. In 2015, the age dependency ratio as a ratio between the population aged 65 and older and that aged 0 to 14 in the district was 133.7% vs. the national average of 146.4%. Kardzhali is also one of the five districts with the lowest negative natural growth rate. In 2015, the natural growth rate in the district was -3.4‰ vs. the national average rate of -6.2‰ . The migration processes in the district were relatively weak in 2015, when net migration rate reached -1.4‰ .

In 2015, Kardzhali remained the district with the lowest share of urban population: 41.1% vs. the national average of 73.1%. At the same time, population density was higher than the national average.

Education ●●●

The net enrolment rate of the population in 5th–8th grade in the district of Kardzhali declined to reach 77.6%, while the national average rate was 78.3%.

In 2015, the shares of high school dropouts (1.9% in Kardzhali vs. 2.8% nationally) and repeaters (0.3% in Kardzhali vs. 1.0% nationally) in primary and secondary education were still among the lowest in the country. After a relatively good performance at matriculation exams in 2014, the grades of the district's high school graduates deteriorated abruptly in the last two years. At the matriculation exams in Bulgarian language and literature in 2016 their average grade was "good" 3.85: the third lowest result in the country. In addition, Kardzhali was the district with the highest share of poor grades: 16.89% vs. the national average of 8.73%.

Kardzhali remains one of the districts with the highest teacher-student ratio in primary and secondary education.

Healthcare ●●●

Kardzhali is one of the districts in the country with severe shortage of doctors. There are 2,298 people for each general practitioner, while in the country as a whole there are 1,619 people per GP; there are 811 people per specialist doctor while the national average number is 544 people.

The number of beds in general hospitals in the district is also smaller than the average for Bulgaria (3.9 per 1,000 people vs. 4.6 per 1,000), which is probably one of the reasons behind the relatively small number of hospitalizations (177 per 1,000 people vs. 232 per 1,000 people, respectively) in 2015. This data suggests that part of the local population seeks medical care outside the district.

Infant mortality rates in the district rose in 2015 to reach 7.2‰.

Security and Justice ●●●●●

Criminal judges in the district are among the least overloaded in Bulgaria, which is due to the low crime rate in the district among other factors. In 2015, for the second successive year, their workload fell to reach 5.8 cases a month per judge, while the national average figure was 8.3 cases a month. At the same time, the number of pending cases (10.0%) was higher than the country average (9.4%) in spite of the fact that a high share of cases were solved within 3 months (95.0%).

Kardzhali was the district with the smallest number of registered crimes relative to the population. In 2015, following a tendency of four successive years, the number of registered crimes against the person and property dropped to 5.6 per 1,000 inhabitants vs. 13.6 per 1,000 people average for Bulgaria.

The percentage of solved crimes is relatively high. In 2015, the clearance crime rate rose to 56.6% of those that were registered, while the country average was 39.2%.

Environment ●●●

Kardzhali is one of the districts with the lowest share of the population having access to public sewerage systems and the lowest connectivity with WWTPs. In 2014, 3.9% of the district's population with access to sewerage systems was connected to WWTPs (the national average rate was 56.8%), while 44.0% had access to public sewerage (vs. 74.9% nationwide).

The district of Kardzhali ranked second in the country (after Smolyan) among the districts with the least polluted atmosphere. In 2014, carbon dioxide emissions into the atmosphere in the district were 5.9 t/sq. km, which is over 50 times lower than the national average figure.

The district's population produced the smallest amount of household waste compared with the other districts: 256 kg annually vs. 442 kg per person in Bulgaria in 2014.

Culture ●

In 2015, Kardzhali was again the district with the least intensive cultural life in the country. There was still no cinema house in the district. Visits to the theatre were half the national average numbers: 150 per 1,000 people in Kardzhali and 302 per 1,000 people in Bulgaria. The number of visits to libraries was also considerably lower: 236 per 1,000 people in Kardzhali and 583 per 1,000 in the country.

The difference in museum visits between the district and the national average number was even greater in 2015: 88 per 1,000 people visited a local museum in the district while the average number for the country was 664 per 1,000 people.

Key Indicators for the District of Kardzhali

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	5,422	5,602	6,285	6,151	6,041	n.a.
Average annual income per household member (BGN)	2,734	3,002	3,483	3,333	3,762	3,393
Average annual gross salary (BGN)	5,643	5,895	6,266	6,842	7,222	n.a.
Relative share of people living below the national poverty line (%)	32.8	31.9	44.7	60.1	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	48.9	54.3	60.6	63.4	64.3	60.3
Annual average employment rate of the population aged 15 to 64 (%)	46.5	51.5	55.1	59.0	61.1	58.8
Annual average unemployment rate of the population aged 15 to 64 (%)	4.9	5.1	9.0	7.0	4.9	2.3
Relative share of the population aged 25 to 64 with tertiary education (%)	10.3	8.9	11.2	15.6	19.8	17.2
Number of non-financial enterprises per 1,000 people	31	29	29	29	30	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	458	613	738	705	1,240	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	440	500	604	746	949	n.a.
Relative share of households with internet access (%)	11.5	29.7	54.0	45.8	65.8	51.2
Share of roads in good condition (%)	23.8	24.6	27.0	25.5	31.3	27.5
Share of territory included in cadastral maps (%)	3.4	3.4	3.4	3.4	3.4	3.4

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-0.7	-2.6	-2.1	-1.8	-2.6	-3.4
Net migration rate (‰)	-6.8	-3.5	-2.4	-3.0	12.1	-1.4
Average grades at state matriculation exams	4.3	4.5	4.5	4.6	4.7	4.1
Percent of failed students at state matriculation exams ("average" 3.00)	6.2	3.0	4.2	4.7	3.0	11.4
Net enrolment rate of the population in 5th–8th grade (%)	82.7	83.0	82.0	80.2	78.3	77.6
Health insured persons as share of the population (%)	101.7	101.6	100.6	100.4	101.5	103.5
Cases of hospitalization in general hospitals per 1,000 people	140	144	166	176	165	177
Registered crimes against the person and property per 1,000 people	7.3	6.9	6.0	5.8	5.7	5.6
Clearance rates for crimes against the person and property registered during the year (%)	58.2	57.3	56.2	53.4	49.4	56.5
Share of pending criminal cases (%)	4.2	4.8	4.7	3.8	8.7	10.0
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	3.7	4.0	4.0	3.9	3.9	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	17.8	10.9	3.5	5.1	5.8	n.a.
Number of visits to cinemas per 1,000 people	11	0	0	0	0	0
Number of visits to theatres per 1,000 people	152	170	191	159	131	150

Kyustendil District

► Population (2015)	126,992
► Area (sq. km)	3,051.5
► Number of settlements	183
► Share of urban population (%)	69.1



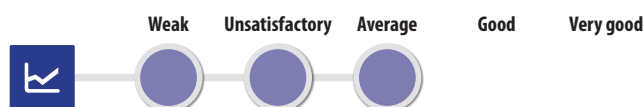
Overview

Although living conditions and social inclusion have gradually been improving, salaries in the district have stayed low, while a considerable part of total households' incomes was generated by pensions. In 2015, unemployment fell and employment rose for the first time after the crisis; both indicators, however, were still below the national average levels. Kyustendil is among the districts which have attracted least FDI so far and whose municipalities have utilized the least amount of EU funds. The rate of local taxes and fees was among the lowest in the country, yet, the absence of transparency of local administrations has made the district less attractive in comparison with others.

As a result of the unfavorable demographic tendencies, the rate of natural increase of the population has continued to

deteriorate. The educational system has been successful in enrolling a great part of those subject to compulsory education, though quality of education has been relatively low. There has been a certain shortage of specialist doctors in the district but the number of hospital beds is sufficient and the share of health-insured persons is high. Kyustendil has received the second lowest rating after Sofia (capital city) for security and justice because of high crime rates, slow justice administration, and low crime clearance rate. In the "Environment" category, the district is characterized by good connectivity to public sewerage systems and wastewater treatment plants on one hand, and, by strongly polluted air, on the other. Cultural life remains poorly developed compared with the other districts in the country.

ECONOMIC DEVELOPMENT



Income and Living Conditions



Labor Market



Investment



Infrastructure



Taxes and Fees



Administration



SOCIAL DEVELOPMENT



Demography



Education



Healthcare



Security and Justice



Environment



Culture



ECONOMIC DEVELOPMENT ●●●

Income and Living Conditions ●●●●

In 2014, the GDP per capita in the district stayed considerably lower than the average GDP in Bulgaria: 6,656 BGN in Kyustendil vs. the national average of 11,574 BGN. The average annual gross salary in the district rose to 7,091 BGN, remaining the fifth lowest in the country and far from the country average of 9,860 BGN. The low pay and the unfavorable demographic situation have affected household income structure as well. Pensions made up almost 38% of that income (vs. 27% nationally), while the share of salaries was 53% (vs. 57% nationally). Indicators for living conditions and social inclusion in the district of Kyustendil improved in 2012 and 2013. The share of persons living in material deprivation (28.6%) and that of people with incomes below the national poverty line were lower than the average.

Labor Market ●●●

In 2015, Kyustendil's labor market registered its first more significant post-crisis improvement. During the same year economic activity leveled with the national average of 69.2%, while employment reached 60.2% (vs. 57.4% for the previous year). That has also been the highest value of this indicator since 2011. The district thus came close to the national average values of the indicator (62.9%). After a period of four years during which the unemployment rate was between 14 and 15%, in 2015, it registered its first considerable drop to 13.1%. Despite the improvement, the indicator stayed higher than the national average level of 9.1%.

The educational profile of people aged 25 to 64 was characterized by a share of people with higher education lower than the average, but also with a lower share of people with primary and lower education. In 2015, there were 48.3 persons aged 15 to 19 about to join the workforce for every 100 persons aged 60 to 64 about to leave it. The only two districts whose rates were worse than Kyustendil were Smolyan and Gabrovo.

Investment ●

Relative to the population, FDI in non-financial enterprises amounted to 343 euro per capita as of the end of 2014, which is almost 9 times lower than the country average figure. It should be noted, though, that Kyustendil was one of the few districts to attract new foreign investment every year since 2011. After a serious shrinkage in the early phase of the crisis, the FDI acquisition expenditure gradually increased to reach 1,076 BGN per capita in 2014. Hence, the district takes no longer the last place for this indicator as had been the case in the post-crisis years. However, these levels were still much lower than the country average of 2,786 BGN per capita.

Kyustendil is the district that registered the lowest utilization of EU funds by its municipalities as beneficiaries from

operational programs. Relative to the population, as of 31 May 2016, the funds absorbed amounted to 367 BGN per capita while the national average level was 689 BGN per capita. The municipality of Dupnitsa was the only one to go over the national absorption levels, even though minimally, whereas the least funds were utilized by the municipality of Nevestino (13.4 BGN per capita).

Infrastructure ●●●

The district of Kyustendil has a higher density of both the road network (19.3 km per 100 sq. km) and the railway network (4.0 km per 100 sq. km) than the national averages of 17.8 and 3.6 km per 100 sq. km, respectively. Roads have traditionally been in good condition: in 2015, this was true of 50.5% of them vs. the national average rate of 40.7%.

In 2015, the share of households with access to the internet rose to 50.3%, yet the district continued to lag behind the average 59.1% for the country. The relative share of people who used the internet in 2015 also rose to reach 52.5% for the district vs. 60.3% for Bulgaria.

Taxes and Fees ●●●●●

Municipalities in the district are characterized by low local taxes and fees. Changes were relatively rare: in 2016, only the immovable property tax in the municipality of Rila was raised from 2.5 to 3‰.

Since 2014 the annual waste collection fee for legal entities in the municipality of Kyustendil has been 1.4‰ (provided that companies had announced the number of waste bins they needed). The only district center with a lower waste fee is the municipality of Sliven (1.2‰).

Administration ●●●

Municipal administrations' self-rating for the development of electronic services and one-stop shop services is relatively high. The cadastral map covers 18.9% of the district's territory, slightly below the national average of 19.8%. However, over 80% of the covered territory belongs to only three municipalities: Dupnitsa, Rila, and Separeva Banya. The municipalities of Boboshevo, Kocherinovo, Nevestino, and Treklyano have no cadastral coverage yet.

In 2014 and 2015, the municipalities of Kyustendil district achieved the lowest rates in the Active Transparency Rating of Local Government Units by the AIP Foundation. In 2016, their ratings rose to 41.4%, leaving behind the municipalities of the districts of Vidin, Kardzhali, Pernik, Sofia district, and Shumen. In 2016, Kyustendil was also one of the seven district centers with the lowest ratings in the Local Integrity System Index of Transparency International.

SOCIAL DEVELOPMENT ●●●

Demography ●●●

Between 2001 and 2015, the population of the district decreased by 25%, which was twice faster than the average rate for Bulgaria. Since 2011 people aged 65+ have been twice as many as the population aged 0 to 14. The natural growth rate has been negative and has continued to deteriorate (–12.2‰ in 2015), remaining twice less favorable than the country average for the last decade. After the net migration rate reached –7.6‰ in 2013, there has been observed a certain decline in the number of migrations out of the district 2014 and 2015.

The share of urban population in the district is somewhat lower than that in the country; in 2015, 69.1% of the population lived in towns (vs. 73.1% for Bulgaria).

Education ●●●●

Though the indicators for high school students' coverage and retention remained more favorable than the country average levels, the quality of secondary education was relatively low, judging by matriculation exam results. In 2016, the district high school graduates' average grade at the exam in Bulgarian language and literature was "good" 3.97 (vs. "good" 4.17 for the country). The same year the share of failing grades was 3 times higher than that in 2014, reaching 12.5% vs. the national average of 8.7%.

Kyustendil is one of the five districts in the country, which have no higher education institutions or affiliated units of such institutions. On the other hand, it is located between two university centers with leading positions in the country, Sofia and Blagoevgrad, respectively.

Healthcare ●●●●●

Despite a certain shortage of specialist doctors in the district, healthcare infrastructure is well developed. In 2015, there were 657 beds in general hospitals in the district, which means 5.2 beds per 1,000 people, while the national average was 4.6 beds per 1,000 people. There were 1,427 people per general practitioner (vs. 1,619 people nationwide).

Infant mortality rates fell from 6.1‰ in 2014 to 3.2‰ in 2015, which was about two times lower than the average level for Bulgaria (6.6‰). In 2015, 94.2% of the district's population was health-insured, while the national average level was 88.5%.

Security and Justice ●●●

Kyustendil has received one of the lowest ratings in terms of security and justice. After 2010, the ratio between registered crimes against the person and property and the local population number was less favorable than the country average. In 2015, 34.4% of registered crimes were solved – this share was better than the result of the previous year (only 29.8%), yet remaining below the national average of 39.2%.

The efficiency of local courts was also low, partially because of the relatively high workloads of judges. In 2015, 80.0% of criminal cases were closed within 3 months, which is the lowest share after that of Sofia (capital city). The share of pending criminal cases fell to 9.8% but was still a little higher than the country average (9.4%).

Environment ●●●●●

In 2014, 74.2% of the population in the district had access to public sewerage systems; 61.0% of people also being connected to WWTPs. Both indicators were close to the country average figures: 74.9 and 56.8%, respectively. Between 2012 and 2014 the generated household waste was close in volume to the country average figures.

The level of carbon dioxide emissions kept the fourth highest place among all districts: 668.9 t/sq. km vs. the national average of 314.5 t/sq. km. Only Sofia (capital city), Varna, and Stara Zagora had higher levels.

Culture ●●●●●

Despite some positive tendencies, the cultural development of the district of Kyustendil still lags behind that of most other districts in the country. Only museums registered more visits: 106,000 in 2015 or 831 visits per 1,000 people vs. the national level of 664 visits per 1,000 people. Regarding local libraries and cinemas, 2015 was the best and second best year, respectively, but visit numbers were still considerably lagging behind national averages. Greater interest in theatres was also noticeable, theatre visits reaching almost 20,000 in 2015 (155 per 1,000 people) while the national average was 302 visits per 1,000 people.

Key Indicators for the District of Kyustendil

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	5,925	6,119	6,078	6,195	6,656	n.a.
Average annual income per household member (BGN)	3,355	3,534	3,508	3,593	3,966	4,587
Average annual gross salary (BGN)	5,891	6,219	6,444	6,880	7,091	n.a.
Relative share of people living below the national poverty line (%)	20.8	28.2	16.1	8.5	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	67.2	68.5	67.6	67.6	66.9	69.2
Annual average employment rate of the population aged 15 to 64 (%)	61.0	58.1	57.9	57.4	57.4	60.2
Annual average unemployment rate of the population aged 15 to 64 (%)	9.0	14.9	14.2	14.9	14.2	13.1
Relative share of the population aged 25 to 64 with tertiary education (%)	17.2	20.7	19.4	22.5	23.7	23.7
Number of non-financial enterprises per 1,000 people	39	39	39	40	41	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	574	592	754	1,055	1,076	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	111	190	247	300	343	n.a.
Relative share of households with internet access (%)	21.4	35.2	31.7	52.4	39.9	50.3
Share of roads in good condition (%)	49.1	49.8	50.0	46.4	46.4	50.5
Share of territory included in cadastral maps (%)	18.9	18.9	18.9	18.9	18.9	18.9

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-9.9	-10.8	-11.5	-11.4	-11.4	-12.2
Net migration rate (‰)	-7.6	-3.2	-4.9	-7.6	-6.7	-3.2
Average grades at state matriculation exams	4.2	4.4	4.2	4.3	4.3	4.1
Percent of failed students at state matriculation exams ("average" 3.00)	6.6	5.2	8.0	5.2	4.0	10.0
Net enrolment rate of the population in 5th–8th grade (%)	76.9	81.3	80.4	78.6	78.3	79.3
Health insured persons as share of the population (%)	88.2	91.8	91.3	90.5	92.1	94.2
Cases of hospitalization in general hospitals per 1,000 people	159	160	231	238	165	233
Registered crimes against the person and property per 1,000 people	15.8	16.0	15.8	16.1	15.8	15.8
Clearance rates for crimes against the person and property registered during the year (%)	41.4	35.6	38.4	32.6	29.8	34.4
Share of pending criminal cases (%)	9.0	9.4	10.3	10.6	9.5	9.8
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	59.1	60.3	60.6	60.8	61.0	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	739.8	739.8	690.0	668.9	668.9	n.a.
Number of visits to cinemas per 1,000 people	0	132	86	68	201	187
Number of visits to theatres per 1,000 people	75	108	114	139	146	155

Lovech District

► Population (2015)	132,503
► Area (sq. km)	4,128.8
► Number of settlements	149
► Share of urban population (%)	62.5



Overview

In 2015, there came the end of the lasting labor market crisis in the district of Lovech as employment started going up. Nevertheless, incomes have stayed low: this is why the district has the highest share of people living in material deprivation. Investment levels have been relatively low but EU fund utilization by the district's municipalities was the third highest in the country – after the districts of Gabrovo and Burgas. Infrastructural development has been close to national average levels, whereas the tax burden is disproportionately high for a district with this kind of economic development profile. Lovech ranks second after the capital in cadastral map coverage of the territory. The population's age structure is among the least favora-

ble in the country. The educational system has been successful in enrolling a great part of the eligible for education, and the achievement of local high school graduates at the state matriculation exams has been close to the country average. Healthcare suffers both from insufficient specialist doctors and from the continuing decrease in the number of hospital beds. Crime rates are relatively low, so the workload of the judicial system is below the average for Bulgaria. Connectivity to public sewerage systems and WWPTs has been low but the volume of harmful emissions is three times lower than the national average. Cultural life is not particularly active: only libraries have registered a high rate of visits.

ECONOMIC DEVELOPMENT



Income and Living Conditions



Labor Market



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SOCIAL DEVELOPMENT



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Culture



ECONOMIC DEVELOPMENT ●●

Income and Living Conditions ●

In 2013 and 2014, after 8 years of slow growth – much slower than the national average rate – salaries in the district of Lovech registered a rise faster than the average. In 2014, the annual gross salary reached 7,487 BGN vs. the national average level of 9,860 BGN. As a result of the higher salaries and rising employment, the average annual income per household member rose to 3,788 BGN in 2014, and in 2015 it even went over 4,000 BGN for the first time ever, though remaining far below the national average of 4,953 BGN.

Lovech is the district with the highest share of persons living in material deprivation: 55% vs. 33.1% nationwide. The share of people below the national poverty line grew to 36.8%. Higher levels of relative poverty have been registered only in the districts of Vidin, Kardzhali, Montana, and Pazardzhik.

Labor Market ●●

In 2015, the seven-year long labor market crisis came to an end in the district of Lovech. The population's economic activity rate rose to 60.2%, and the employment rate reached 54.6% (vs. 51.0% in the previous year). Despite the improvement, both indicators remained lower than the national average levels (69.9% for employment and 62.9% for economic activity, respectively). Only the unemployment rate, which fell to 9.2%, its lowest level since 2010, stayed close to the national level.

The workforce's educational profile has limited the capacity of the labor market for serious expansion and income growth. The share of people with higher education is 20.5% (vs. the national average of 27.5%) and that of people with primary or lower education is 20.5% (vs. 18.1% nationally).

Investment ●●●

After a period of considerable growth between 2008 and 2011, the cumulative FDI stabilized around 134 m euro. FDI – relative to the population number – grew from 946 euro per capita at the end of 2011 to 1,011 euro per capita at the end of 2014, but this rate was also due to the dwindling population. In 2013 and 2014, there was a certain rise in companies' expenditure on the acquisition of FTA. Relative to the local population, the expenditure reached 1,388 BGN per capita in 2014 in contrast to 1,665 BGN per capita during the peak in 2007. Despite these favorable trends, the levels of investment activity in the district of Lovech remained about three times (for FDI) and two times (for FTA) lower than the country averages, respectively.

Yet, the district of Lovech was among the leaders in the country in terms of EU fund utilization by municipal beneficiaries of operational programs. Relative to the population, by the end of May 2016, there were 1,180 BGN per capita

utilized vs. 689 BGN per capita nationally; the highest sums were paid in the municipality of Lukovit, whereas the lowest – in the municipality of Apriltsi. In comparison with other districts, only Burgas and Gabrovo have achieved higher utilization rates.

Infrastructure ●●●

The road network density in the district of Lovech is a little higher than the national average of 18 km per 100 sq. km, while the road surface quality is relatively good. In 2015, the share of roads in good condition fell from 47.8 to 43.7% but stayed above the national level of 40.7%. Motorways and first class roads constituted 15.1% of the total length of the road network in the district vs. the national rate of 18.1%. The railway network density is 2.6 km per 100 sq. km, which is considerably lower than the national average of 3.6 km per 100 sq. km.

Access and usage of the internet have retained relatively low levels in the district. In 2015, 50.8% of households had internet access (vs. 59.1% nationally), and the share of persons to have used the internet in the past year was among the lowest in the country: 46.5% vs. the national average rate of 60.3%.

Taxes and Fees ●●

Immovable property tax for legal entities and waste disposal fees are relatively high, while the rest of the local taxes and fees are below the national average figures. Changes in those taxes are relatively frequent. 2016 makes an exception in this respect as the only change in the immovable property tax was that in the municipality of Teteven (from 1.5 to 2.5‰). In recent years the number of increasing local taxes and fees has been highest in the municipality of Lukovit, whereas the decreasing ones have been most frequent in the municipality of Troyan.

Administration ●●●●●

The district of Lovech ranks second after the capital in cadastral map coverage. In 2015, 80.4% of its territory was covered while the national average percentage was 19.8%. The single municipality with no coverage at all is Yablanitsa, while in Lovech, Apriltsi, Letnitsa, Troyan, and Ugarchin it is 100%.

The self-rating of municipal administrations shows that the development of electronic services is lagging behind the general trends. One-stop shop services are getting more widespread and they have been completely introduced in the municipality of Troyan. The AIP Foundation rated the transparency in the work of local administrations at 59.3% vs. the national average rate of 54.3% in 2016.

SOCIAL DEVELOPMENT ●●●

Demography ●●●

Population age structure in the district of Lovech has been among the least favorable in the country. If the current trend continues, Lovech will join the group of districts where the number of people aged 65+ is twice the number of people aged 0 to 14. In districts like Vidin, Gabrovo, Kyustendil (since 2011), and Pernik (since 2014) this ratio is more than 2 to 1 already.

The ageing of the population affects negatively the natural growth rates; the district's rate is the seventh worst in Bulgaria. Besides, each year there are more people migrating out of the district than people migrating into it. In 2015, 62.5% of the population lived in towns while the national average figure was 73.1%.

Education ●●●●

Since 2011, the net enrolment rate of the population in 5th–8th grade has been higher in the district than the national average, while the share of high school repeaters has been lower. The relative share of dropouts remains higher than the national average but tendencies are rather positive. Between 2012 and 2014, the share of dropouts in the educational system of the country rose from 2.3 to 2.8%, but in the district of Lovech it declined – from 3.5 to 3.2%, respectively.

As usual, high school graduates in the district have achieved results close to the national average figures at the matriculation exam in Bulgarian language and literature. On the other hand, 2015 was the first year since 2010 in which the share of failures at that exam was higher than the national average.

The district of Lovech does not have strong traditions in the field of higher education; still, in 2015, there were 247 college students in the district, the highest number since 2011.

Healthcare ●●●

In 2015, the number of beds in general hospitals decreased for the sixth successive year. Since 2012 the ratio between that number and the number of people in the district has been less favorable than the national average. The number of general practitioners in the district is sufficient but there is also a certain shortage of medical specialists.

In the last five years the infant mortality rate in the district was higher than the national average. In 2015, it reached 12.5‰, which is twice bigger than the national average levels – a higher value was registered only in

Sliven (12.8‰). The rate of health-insured people in 2015 was 91.1% of the local population vs. the national average of 88.5%.

Security and Justice ●●●●●

Lovech has traditionally been one of the districts with the highest share of criminal cases in the district court, usually closed within 3 months. In 2015, this was true of 95.0% of the cases while the national average rate was 88.1%. The share of pending criminal cases is also low: 6.5% vs. the national average of 9.4%. These results are partially due to the low crime rates, hence, the low workloads of the judges in the district. There are 6.7 cases per judge per month, whereas the national level is 8.3 cases per month.

Relative to the population, there were 10.1 registered crimes per 1,000 people in 2015, while the national average rate was 13.6 crimes per 1,000 people. The clearance crime rate dropped to 45.4%, but still remains above the national rate of 39.2%.

Environment ●●●●●

In 2014, the share of people with access to public sewerage systems reached 64.1% vs. the national average of 74.5%. The connectivity to WWTPs was 41.2% but was expected to rise in 2015 statistics due to the opening of the third level of the WWTP in the city of Lovech in mid-2015.

The level of carbon dioxide emissions into the atmosphere amounts to 93.8 t/sq. km or about three times lower than the national level.

Culture ●●●

The district's cultural life is characterized by a relatively low intensity. Relative to the population, the average annual number of visits to theaters was about 2.5 times lower than the country average of 302 visits per 1,000 people. In 2015, the number of visits to libraries was about 1.5 times fewer than the national average of 583 visits per 1,000 people.

Only museums have enjoyed a higher interest. Visits to museums rose for the third successive year to reach 955 people per 1,000 people, while the country average rate was 664 visits per 1,000 people. Lovech was one of the five districts in the country where there was still no working cinema in 2015.

Key Indicators for the District of Lovech

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	6,068	7,029	7,074	7,317	7,635	n.a.
Average annual income per household member (BGN)	3,037	2,825	2,963	3,134	3,788	4,084
Average annual gross salary (BGN)	5,936	6,184	6,509	6,940	7,487	n.a.
Relative share of people living below the national poverty line (%)	27.7	33.0	32.9	36.8	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	67.4	63.3	61.1	58.5	56.9	60.2
Annual average employment rate of the population aged 15 to 64 (%)	61.7	55.6	52.9	52.2	51.0	54.6
Annual average unemployment rate of the population aged 15 to 64 (%)	8.0	12.2	13.4	10.7	10.2	9.2
Relative share of the population aged 25 to 64 with tertiary education (%)	21.6	21.6	16.4	15.8	18.6	20.5
Number of non-financial enterprises per 1,000 people	39	39	39	40	41	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	901	1,094	1,076	1,136	1,388	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	816	946	959	1,002	1,011	n.a.
Relative share of households with internet access (%)	25.2	30.3	33.7	34.6	45.8	50.8
Share of roads in good condition (%)	36.1	40.1	43.0	44.8	47.8	43.7
Share of territory included in cadastral maps (%)	74.0	74.0	74.0	74.0	74.0	80.4

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-9.4	-9.7	-10.2	-10.2	-11.2	-11.0
Net migration rate (‰)	-12.2	-4.1	-3.5	-5.3	-4.2	-4.2
Average grades at state matriculation exams	4.3	4.5	4.3	4.5	4.4	4.3
Percent of failed students at state matriculation exams ("average" 3.00)	5.3	2.9	3.6	2.5	3.0	6.2
Net enrolment rate of the population in 5th–8th grade (%)	78.9	82.0	81.3	80.7	80.0	81.2
Health insured persons as share of the population (%)	86.2	89.5	88.9	88.5	89.7	91.1
Cases of hospitalization in general hospitals per 1,000 people	199	205	210	220	213	209
Registered crimes against the person and property per 1,000 people	14.5	13.2	10.9	10.1	9.4	10.1
Clearance rates for crimes against the person and property registered during the year (%)	46.0	52.2	51.6	51.8	49.2	45.4
Share of pending criminal cases (%)	4.1	4.4	4.4	6.1	7.6	6.5
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	40.2	40.9	41.1	41.1	41.2	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	124.6	125.2	115.5	93.8	93.8	n.a.
Number of visits to cinemas per 1,000 people	0	0	0	0	0	0
Number of visits to theatres per 1,000 people	92	141	148	186	124	119

Montana District

► Population (2015)	138,269
► Area (sq. km)	3,635.6
► Number of settlements	131
► Share of urban population (%)	63.4



Overview

There has been a considerable lag in Montana's economic development. In 2015, employment rates shrank, which entailed a drop in salary incomes, consequently, in average incomes in the district too. Montana remains the least attractive district for foreign investment, and the municipalities in the district have failed to compensate the lack of private investment with sufficient EU fund utilization. The low levels of taxes and fees and the relatively good administrative services have failed to compensate the influence of negative factors such as the poor infrastructural development in the district.

Montana is one of the districts most seriously affected by the country's demographic crisis. The educational system has been successful in enrolling a substantial part of the eligible for education but the deteriorating grades at matriculation exams indicate a decline in quality. Healthcare quality is close to the country average, and the environment is in a relatively good condition. Though crime rates have been below average, the clearance crime rate has gradually been falling and the judicial system is inefficient. The intensity of cultural activities is much lower than the national average levels.

ECONOMIC DEVELOPMENT



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Culture



ECONOMIC DEVELOPMENT ●●

Income and Living Conditions ●●

Similar to its neighboring district, Vidin, Montana's economic development has been lagging considerably behind the country average levels. GDP per capita amounted to 6,611 BGN in 2014, lower by over 40% than the national average value.

Though there are ten districts in Bulgaria where the gross average salaries of employed people or those under labor contracts was lower than that in Montana (7,499 BGN in 2014), NSI data show that household incomes in the district were among the lowest in the country. The chief reason for this is the population's low employment rate. Although salaries are not among the lowest in the country, they constitute only 33% of household incomes. This share is the lowest in the country, far below the average 56.1%.

Low incomes are also the chief factor behind the considerable poverty levels in the district. The relative share of the population below the national poverty line is 41.6% – higher figures have been registered only in Kardzhali and Pazardzhik.

Labor Market ●●

Contrary to national tendencies, the employment situation in Montana declined abruptly in 2015. The employment rate dropped to 53.7%, the fourth lowest figure after Silistra (49.2%), Vratsa (50.3%), and Targovishte (51.6%), while the national average rate was 62.9%. Unemployment rates dropped from 16.3% in 2014 to 8.2% in 2015 but this was due to a slump in the population's economic activity, not to the creation of new jobs. In 2015, 58.5% of the population aged 15 to 64 was economically active, while the national average rate was 69.3%. The only lower rate in the country was registered in Targovishte (56.7%).

Development perspectives for the labor market do not seem any brighter against the background of the low share of people with higher education among the population: 17.3% vs. 27.5% for the country.

Investment ●

As early as 2013, Montana became the district with the least favorable ratio between cumulative FDI and the total number of the local population. In 2014, an FDI outflow of nearly 4 m euro was registered – i.e., 247.5 euro per capita, which is 12 times lower than the national average level. Montana was also one of three districts (alongside Vidin and Pernik) where companies' FTA acquisition expenditure in 2014 amounted to less than 1,000 BGN per capita while the national average rate was 2,786 BGN per capita.

Unlike other less developed districts, such as neighboring Vidin and Lovech, the municipalities in Montana have failed to rise beyond the national average rates in EU funds utilization. Against this background, it is no surprise that

the only other district where entrepreneurial activity is less vigorous is Kardzhali.

Infrastructure ●●

The density of both road and railway networks in the district is slightly below the national average: 17.8 km per 100 sq. km and 3.6 km per 100 sq. km, respectively. The differences in infrastructure development mostly concern high speed roads. The only district where the share of motorways and first class roads is smaller is Smolyan, where road infrastructure is poorly developed because of the mountainous terrain. In 2015, 31.4% of road surfaces in Montana were in good condition – the highest figure in the last six years, yet still below the national average of 40.7%.

In 2015, again, Montana was one of the districts with the lowest share of households with internet access (36.8%). Only Vratsa and Targovishte had lower rates.

Taxes and Fees ●●●●●

Local taxes and fees in the district of Montana are considerably below national average rates. The local property acquisition tax is the closest to the average levels. In 2015, the waste collection fee was raised in the municipality of Brusartsi, though lowered in the district center.

The municipality of Montana is one of the few in the country, which dared to raise the annual license tax for retailers in recent years. Though the rate was doubled, its new size of 4 BGN/sq. m is almost three times lower than the national average.

Administration ●●●●●

The district of Montana was rated slightly above the national average in terms of administrative development. In the Local Integrity Index of Transparency International the district center, the municipality of Montana, got 3.21 out of the maximum 5 points vs. the national average of 3.14. The AIP Foundation assessed the municipalities' transparency at 42.1% vs. the average rate for Bulgaria 54.2%. One-stop shop services are being introduced relatively fast; the greatest progress in the development of these services was announced by the municipalities of Montana, Varshets, and Yakimovo.

Cadastral map coverage has remained unchanged since 2010 – 12.3%, whereas on national level it grew from 15.9 to 19.8%. The municipalities of Varshets, Lom, and Chiprovtsi have the highest cadastral coverage, while those of Boychinovtsi, Brusartsi, Valchedrum, Medkovets, and Yakimovo have none.

SOCIAL DEVELOPMENT ●

Demography ●●

Between 2001 and 2015 the population in the district of Montana decreased by over 1/4, which is twice faster than the registered national rate. Only in the districts of Vidin, Vratsa, and Razgrad has the population decreased faster. As a result of the negative demographic processes age structure is deteriorating, and in 2015, the district registered the second worst natural growth rate of the population after Vidin. One of the few positive indicators in the demographic development of the district is the relatively low negative net migration rate (−2.4‰ in 2015).

Similar to the other districts in Northwestern Bulgaria, the share of the population living in urban centers, is relatively low: 63.4% vs. 73.1% nationally.

Education ●●

The relatively high enrolment rate of the population in 5th–8th grade and the declining share of high school repeaters (0.9% in the 2014/2015 school year vs. national average rate of 0.1%) should be mentioned as some of the positive characteristics of the district's educational system.

However, the share of dropouts in primary and secondary education has remained above 3% for the second successive year, while the grades of local high school graduates at the matriculation exams in Bulgarian language and literature have been among the worst in Bulgaria. In 2016, the share of failing grades at that exam reached 12.4% vs. the national average rate of 8.7%. In each of the nine years since the introduction of the compulsory matriculation exams, the average grade for the district was below the average for the country. In 2016, the gap was greater than in previous years: "good" 3.88 for Montana and "good" 4.17 nationwide. Lower average grades were observed only among high school leavers in Kardzhali, Razgrad, Silistra, and Yambol. Montana is one of the five districts in the country where there are no universities or university affiliated institutions.

Healthcare ●●●

Local hospitals are quite busy, while at the same time the number of beds in general hospitals increased to 864 in 2015. The only districts with a more favorable ratio between the number of beds in general hospitals and the local population are Pleven and Plovdiv. The number of general practitioners in the district is a relatively high, yet, there is a certain shortage of specialists.

In 2015, the infant mortality rate fell to 6.3‰, which indicates an improvement in healthcare. The rate of health-

insured people is high: 89.0% in the district vs. 88.5% on average in the country.

Security and Justice ●●

Though crime rates are relatively low in the district, the local judiciary is not very efficient. The only district where the workloads of criminal judges in the district court is lower than that of Montana (4.7 cases a month per judge) is that in the district of Targovishte. Nevertheless, Montana has the second lowest share of criminal cases closed within 3 months – ranked immediately after the capital. Besides, the share of pending criminal cases in Montana (14.5%) is lower than those in the capital and Blagoevgrad (15.4%) only, while the national average is 9.4%.

The only reason why the district's rating is not even lower is the traditionally small number of registered crimes against the person and property. The clearance crime rate is also higher than the national average but the difference is gradually shrinking.

Environment ●●●●

The good rating of the environment in the district of Montana is due primarily to the low level of carbon dioxide emissions into the atmosphere. In 2014, they amounted to 7.9 t/sq. km, while lower levels were registered only in Dobrich, Kardzhali, and Smolyan.

In 2015, the Water Cycle construction project in the town of Montana was completed, including the modernization of the town's wastewater treatment plant. Still, the connectivity of the district's population to WWTP (34.2%) remained lower than the national average rate of 56.8%. The share of the population living in areas with public sewerage was also low: 58.8% vs. the national average rate of 74.9%.

Culture ●

The general tendency of increasing visits to museums and libraries nationwide is not typical of the district of Montana. The number of visits in the district is low and declined further in 2015. Despite the growing number of visits to local theatres, the interest in them continues to be low. Relative to the number of local population the 16,300 visits in 2015 correspond to 118 visits per 1,000 people vs. the national average rate of 302 visits per 1,000 people.

Montana is one of the five districts in the country which continue to have no cinemas in 2015. The other four districts are Kardzhali, Lovech, Pazardzhik, and Pernik.

Key Indicators for the District of Montana

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	5,384	6,078	6,207	6,769	6,611	n.a.
Average annual income per household member (BGN)	3,037	2,961	2,994	3,276	4,117	3,021
Average annual gross salary (BGN)	6,028	6,289	6,572	6,995	7,449	n.a.
Relative share of people living below the national poverty line (%)	42.5	30.6	27.2	41.6	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	65.2	61.6	62.7	63.8	67.1	58.5
Annual average employment rate of the population aged 15 to 64 (%)	56.9	52.9	53.3	53.0	55.9	53.7
Annual average unemployment rate of the population aged 15 to 64 (%)	12.2	14.1	14.9	16.7	16.3	8.2
Relative share of the population aged 25 to 64 with tertiary education (%)	15.4	15.8	18.1	18.4	17.1	17.3
Number of non-financial enterprises per 1,000 people	32	31	31	31	32	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	669	1,128	997	1,077	999	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	160	173	217	271	247	n.a.
Relative share of households with internet access (%)	22.7	29.0	37.5	36.4	47.9	36.8
Share of roads in good condition (%)	24.8	25.8	22.0	29.1	31.4	31.4
Share of territory included in cadastral maps (%)	12.3	12.3	12.3	12.3	12.3	12.3

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-12.3	-12.3	-12.8	-11.7	-12.8	-13.2
Net migration rate (‰)	-6.2	-3.2	-3.4	-2.7	-3.2	-2.4
Average grades at state matriculation exams	4.1	4.4	4.1	4.2	4.2	4.0
Percent of failed students at state matriculation exams ("average" 3.00)	6.8	3.2	9.4	6.4	6.9	10.7
Net enrolment rate of the population in 5th–8th grade (%)	81.1	81.9	81.1	81.7	80.5	80.6
Health insured persons as share of the population (%)	85.4	87.9	87.1	86.1	87.4	89.0
Cases of hospitalization in general hospitals per 1,000 people	230	245	255	260	261	268
Registered crimes against the person and property per 1,000 people	16.4	14.3	14.1	13.3	11.9	13.4
Clearance rates for crimes against the person and property registered during the year (%)	50.3	46.3	38.4	38.7	43.2	41.5
Share of pending criminal cases (%)	9.4	10.0	12.5	10.3	11.3	14.5
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	33.3	33.9	34.0	34.2	34.3	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	5.0	5.4	5.8	6.5	7.9	n.a.
Number of visits to cinemas per 1,000 people	0	0	0	0	0	0
Number of visits to theatres per 1,000 people	72	66	50	67	81	118

Pazardzhik District

► Population (2015)	265,090
► Area (sq. km)	4,456.9
► Number of settlements	117
► Share of urban population (%)	62.4



Overview

Pazardzhik is one of the districts with the worst indicators for living conditions and social inclusion, and one of those with the worst educational profile of the workforce. The recovery of the labor market took place between 2012 and 2014, while 2015 witnessed a minimal rise in employment and a drop in the population's economic activity. Investment has gradually increased but still staying below the national average. The rates of local taxes and fees are relatively high; administrative and infrastructural development follows the general trends. The population's age structure is relatively good but the

natural growth rate and the net migration rate point to an inevitable deterioration in the near future. The educational system's results are low and so is the intensity of cultural life. Hospitals have a relatively high capacity and the number of doctors is close to the national average, which explains the relatively high number of hospitalizations in local hospitals. The clearance crime rate is higher than the national average, while the judiciary is relatively speedy despite judges' growing workloads. The unsatisfactory condition of the environment is the result of the low connectivity of the population to WWTPs.

ECONOMIC DEVELOPMENT



Income and Living Conditions



Labor Market



Investment



Infrastructure



Taxes and Fees



Administration



SOCIAL DEVELOPMENT



Demography



Education



Healthcare



Security and Justice



Environment



Culture



ECONOMIC DEVELOPMENT ●●

Income and Living Conditions ●

Pazardzhik is one of the districts with the worst indicators for living conditions and social inclusion. The share of the population living in material deprivation reaches 54.7% while the national average is 33.1%; the share of people living below the national poverty line is 50.2% vs. the national rate of 21.8%. The only district where a larger share of the population lives in material deprivation is Lovech (55.3%), and the only district with a higher share of poor people is Kardzhali (60.1%).

Between 2009 and 2014 the average annual gross salary in the district amounted to 77–78% of the national average, and in 2014 it reached 7,650 BGN, while the national average was 9,860 BGN. GDP per capita in 2014 was 6,842 BGN, while the national average was 11,574 BGN.

Labor Market ●●●

The recovery of the district's labor market was most clearly expressed in 2013 and 2014: the employment rate rose from 52.4% in 2012 to 59.6% in 2014; the unemployment rate dropped from 18.3 to 10.4%. In 2015, there was no change in employment rate and the population's economic activity declined. Thus the drop in unemployment was due not to newly created jobs but to the fact that part of the unemployed left the workforce. In 2015, both employment (59.7%) and economic activity (65.3%) remained below the country average figures (62.9 and 69.3%, respectively).

Despite the relatively good age structure of the workforce, its educational profile was among the least favorable ones in the country. Only 16.8% of people aged 25 to 64 have higher education (vs. 27.5% nationally) and those with primary and lower education are 26.6% (vs. 18.1% nationally).

Investment ●●

Investment activity is still lagging behind in the district, though some positive trends have been noticeable. At the end of 2014 the cumulative FDI reached 472 m euro, while the annual FTA acquisition expenditure reached 405 m BGN. Both figures are record high; relative to the population, however, investment has stayed below the national average levels. FDI and FTA in the district amount to 1,781 euro and 1,512 BGN per capita vs. the national average levels of 3,006 euro and 2,786 BGN per capita, respectively.

The sums paid to municipality beneficiaries from operational programs amounted to 614 BGN per capita as of 31 May 2016, thus the district lags behind the average sum for the country (689 BGN per capita). The municipality of Panagyurishte continues to hold the topmost position, uti-

lizing 2,890 BGN per capita. The municipality of Batak came in last with 180.5 BGN per capita.

Infrastructure ●●●

In 2014, the density of the road network in the district of Pazardzhik was 16.6 km per 100 sq. km and has remained unchanged since 2003, whereas the share of motorways and first class roads was 14.9%. Though both indicators were below the national average levels, in 2015, 51.8% of road surfaces were in good condition, which placed Pazardzhik among the districts with the best road quality in the country. In addition, the railway network density in the district, 4.2 km per 100 sq. km, was higher than the national average of 3.6 km per 100 sq. km.

The district has been lagging behind in information technology usage. In 2015, 50.6% of households had internet access (vs. 59.1% nationwide), and 46.6% of people aged 16 to 74 used it (vs. 60.3% nationally).

Taxes and Fees ●●

The rate of immovable property tax for legal entities has gone up slightly for the first time since 2013. This is due to the raise of this type of rate in the municipality of Velingrad (from 1.5 to 1.6‰) whereas it remained unchanged in all other municipalities. At the same time, the waste collection charge dropped in that municipality but went up in Strelcha and Panagyurishte.

The vehicle tax and the annual license tax for retailers stayed unchanged in the last four years, still lower than the national average. In 2016, the municipality of Rakitovo raised the local tax on the sale of immovable property from 2.20 to 2.50‰.

Administration ●●●

In 2015, the cadastral coverage in the district reached 26.8%, which is higher than the national average of 19.8%, but there are still four municipalities left with no coverage at all: Velingrad, Lesichovo, Septemvri, and Strelcha. Municipal administrations have rated themselves at levels close to the country average in development of electronic government and readiness to offer one-stop shop services.

In the active transparency rating of the local government by the AIP Foundation the average rate for the district fell to 49.7% in 2016 (vs. the national average of 54.2%). The municipality with the highest rating was Rakitovo (61.2%) and the one with the lowest rating was Batak (38.89%).

SOCIAL DEVELOPMENT ●●●

Demography ●●●

Though age dependency ratio has been relatively better than the national average figures, the rates of natural growth and net migration of the population have led to its steady decline. Each year more people have been leaving the district than settling in it. Thus in 2015, the net migration rate reached -4.9% vs. the national average of -0.6% . The natural growth rate is also negative, having registered in 2014 and 2015 its least favorable values since 2000 (-5.3 and -6.1% , respectively). If that tendency continues, 2016 could be the first year in which the natural increase rate in Pazardzhik will be lower than the national average. In 2015, 62.4% of the population lived in towns vs. the national average of 73.1%.

Education ●

Pazardzhik is one of the districts, which achieved the poorest results in high school dropout prevention and in quality of the educational system. The net enrolment of the population in high school is close to the average for Bulgaria but the shares of repeaters (1.4%) and dropouts in primary and secondary education (4.5%) are higher than the country average, 1.0 and 2.8% respectively.

Grades at the state matriculation exam in Bulgarian language and literature, traditionally below the national average in the district, registered further drop in 2016. The district's average grade dropped to "good" 4.01 (vs. "good" 4.17 for the country), whereas the share of grades below "average" 3.00 reached 14.6% (vs. 8.7% for the country). Only the districts of Kardzhali, Pleven, Razgrad, Sofia (district), and Yambol registered higher shares of failing grades at the exam. There are neither higher education establishments, nor any affiliates in the district of Pazardzhik.

Healthcare ●●

In 2015, the share of health-insured people in the district of Pazardzhik rose to 85.5%, which, though a record high for the district, was still below the national average rate of 88.5%. The infant mortality rate in the district has traditionally been among the highest in the country, its 2015 value of 11.8‰ being almost twice the national average level.

After 2006 the ratio of beds in general hospitals to the local population has become more favorable than the national average. That fact, together with the relatively high availability of doctors, was probably the reason why local hospitals were frequently used by the population. In 2015, 266

people per 1,000 were hospitalized, while the national average rate was 232 per 1,000 people.

Security and Justice ●●●●

In 2015, Pazardzhik remained one of the relatively safer districts to live in as far as the number of registered crimes against the person and property is concerned. Relative to the population, there were 10.1 crimes per 1,000 inhabitants, while the national average level was 13.6 crimes per 1,000 people. Since 2013, the clearance crime rate has surpassed the national average, reaching 46.0% in 2015 vs. the national average of 39.2%.

Though the workloads of criminal judges in the district court rose to reach 8.8 cases per month in 2015 (vs. 8.3 cases nationally), the share of pending criminal cases dropped to 6.9% (vs. 9.4% nationally). Between 2009 and 2015, the share of criminal cases closed within 3 months dropped from 96.0 to 93.0%, though remaining higher than the national 88.1%.

Environment ●●

Pazardzhik is one of the districts with unsatisfactory environmental status mainly because of the low connectivity of the public sewerage systems to WWTPs. Though in 2014 nearly 70% of the population lived in areas with access to public sewerage, only 27.4% of them were serviced by WWTPs vs. the national average of 56.8%. In 2015, the newly built WWTP started operating in the town of Septemvri, which is expected to improve this indicator in the future.

In 2014, the level of carbon dioxide emissions was lower than the national average, amounting to 35.5 t/ sq. km. The generated household waste has also registered better indicators since 2011.

Culture ●

Pazardzhik is one of the districts where cultural activities have been least intensive. Relative to the population, registered visits to the local theaters and libraries were about twice fewer than the average numbers for the country: 302 visits per 1,000 people and 583 visits per 1,000 people, respectively. Only museums have enjoyed an interest close to the national average rates (664 visits per 1,000 people), though a certain decline was registered in this respect in comparison to 2009 and 2010 levels. In 2015, the district still remained one of the five districts in the country without a cinema house.

Key Indicators for the District of Pazardzhik

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	6,641	7,118	7,554	7,242	6,842	n.a.
Average annual income per household member (BGN)	2,989	2,972	3,460	3,755	3,570	3,728
Average annual gross salary (BGN)	6,087	6,368	6,862	7,264	7,650	n.a.
Relative share of people living below the national poverty line (%)	33.8	38.8	45.5	50.2	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	67.9	66.1	64.2	64.5	66.6	65.3
Annual average employment rate of the population aged 15 to 64 (%)	57.1	54.0	52.4	56.0	59.6	59.7
Annual average unemployment rate of the population aged 15 to 64 (%)	15.5	18.1	18.3	13.0	10.4	8.6
Relative share of the population aged 25 to 64 with tertiary education (%)	15.2	16.9	16.8	16.6	15.3	16.8
Number of non-financial enterprises per 1,000 people	38	38	39	39	39	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	910	1,236	1,265	1,227	1,512	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	1,161	1,446	1,581	1,719	1,781	n.a.
Relative share of households with internet access (%)	25.9	38.7	40.4	36.1	49.6	50.6
Share of roads in good condition (%)	43.4	43.0	44.0	52.6	49.8	51.8
Share of territory included in cadastral maps (%)	6.0	19.4	25.1	25.1	26.8	26.8

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-3.4	-4.6	-4.5	-4.2	-5.3	-6.1
Net migration rate (‰)	-6.0	-2.5	-3.2	-4.7	-4.9	-4.9
Average grades at state matriculation exams	4.2	4.3	4.1	4.1	4.2	4.2
Percent of failed students at state matriculation exams ("average" 3.00)	6.5	4.6	6.8	6.9	5.8	6.6
Net enrolment rate of the population in 5th–8th grade (%)	79.3	83.1	82.5	78.1	78.9	78.7
Health insured persons as share of the population (%)	81.4	84.4	83.4	82.6	83.6	85.5
Cases of hospitalization in general hospitals per 1,000 people	129	135	265	279	153	266
Registered crimes against the person and property per 1,000 people	12.1	10.9	9.7	10.5	10.2	10.1
Clearance rates for crimes against the person and property registered during the year (%)	50.6	41.6	38.2	39.3	41.8	46.0
Share of pending criminal cases (%)	4.0	2.2	7.9	6.9	9.8	6.9
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	26.0	26.1	27.2	27.3	27.4	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	38.3	71.6	48.7	37.9	35.5	n.a.
Number of visits to cinemas per 1,000 people	0	0	0	0	0	0
Number of visits to theatres per 1,000 people	77	98	86	123	163	154

Pernik District

► Population (2015)	126,252
► Area (sq. km)	2,394.2
► Number of settlements	172
► Share of urban population (%)	78.4

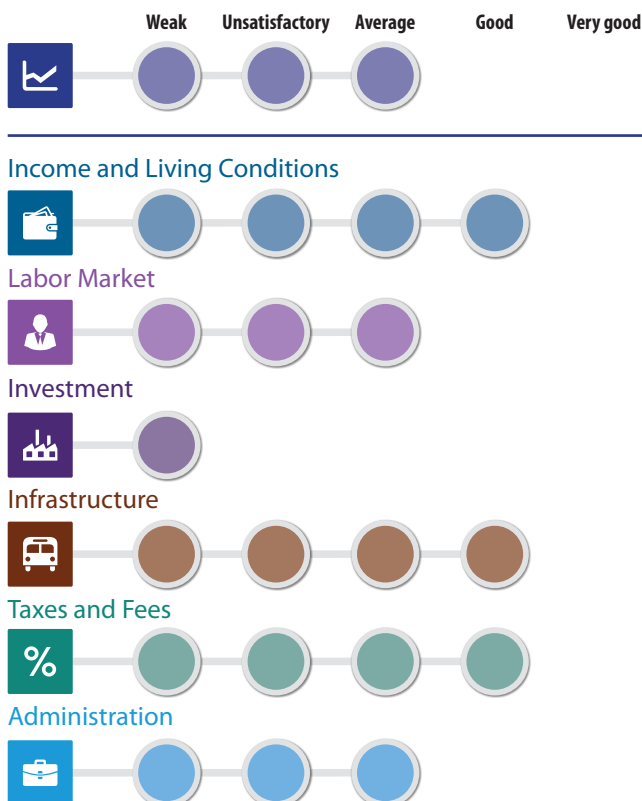


Overview

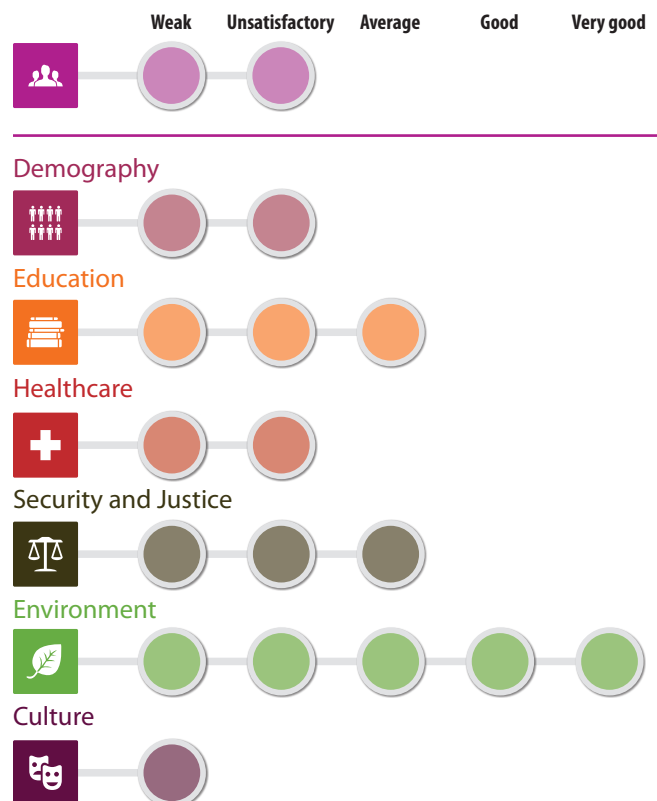
Income levels are relatively high in the district of Pernik due to daily labor migration to the capital as well as the higher average pension in the district. The labor market is on its way to recovery though as employment goes up more people start actively looking for jobs, thus joining the ranks of the unemployed. A certain outflow of foreign investment has been noticeable in recent years, while EU fund utilization has been relatively low. The district is characterized by a relatively well maintained infrastructure and a favorable taxing environment, but it lags behind in other spheres such as the local administration's transparency and the enlargement of cadastral coverage. Pernik is one of the

districts where the number of people aged 65+ is twice the people aged 0 to 14. Indicators for the quality and coverage of the educational system are close to the respective national average figures. The district is characterized by a limited number of hospital beds and an insufficient number of specialist doctors. Crime rates are relatively high, while the clearance crime rate is relatively low. There are, however, signs of improvement in the efficiency of the judicial system. The good rating for environment quality is due mostly to the high connectivity of the population to WWTPs. In the sphere of culture, there have been some favorable tendencies only in terms of visits to local museums.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ●●●

Income and Living Conditions ●●●●

In 2014, the average annual gross salary of employed persons in the district amounted to 7,063 BGN or 71.6% of the national average salary. At the same time, because of the intense daily labor migration to the capital, household incomes are higher than the average ones for the country. In 2015, the average annual income per household member was 6,093 BGN and Pernik ranked second after the capital for this indicator. The average pension size played a role here, too, as pension incomes were higher by 40% than those in the country. The share of people living in material deprivation has remained high. In 2013, these were 37.3% of the population vs. the national average rate of 33.1%.

Labor Market ●●●

Pernik is one of two districts in Bulgaria where the unemployment rate rose in 2015, reaching 14.0% vs. the national level of 9.1%. The main driving force behind the process was not the loss of jobs but rather the rising economic activity of the population. Probably, with growing employment, a greater number of people began to actively look for jobs and joined the ranks of the unemployed. In 2015, employment grew to 62.5%, which is close to the average levels of the national economy.

The educational profile of the workforce shows a growing share of people with higher education among the local population, though their share stays 5 pp. below the national average – 27.5%. On the other hand, the share of people with primary or lower education is 10.3% (vs. 18.1% nationally).

Investment ●

In 2014, Pernik was one of three districts in the country where the ratio between companies' FTA investment and the number of the local population was below 1,000 BGN per capita. The other two districts with similar ratios were Montana and Vidin. Although the ratio of FDI relative to the local population is the ninth most favorable in the country (because of the high investment in the construction sector before the crisis), 2014 was the third consecutive year in which cumulative investment dropped. By the end of 2014 foreign direct investment amounted to 219 m euro, whereas their peak was 284 m euro as of the end of 2008.

The municipalities in the district of Pernik have utilized less EU funds than the national average level. Relative to the population, they have absorbed 505 BGN per capita vs. 689 BGN per capita for the country as of the end of May

2016. The best performance was achieved by Pernik municipality – 56 m BGN or 583 BGN per capita; the municipality that performed worst was that of Kovachevtzi (126.1 m BGN or 76 BGN per capita).

Infrastructure ●●●●

The district of Pernik is characterized by a relative high density of the road (24.1 km per 100 sq. km) and railway network (4.8 km per 100 sq. km) compared to the respective national average figures of 17.8 km per 100 sq. km and 3.6 km per 100 sq. km. The share of motorways and first class roads is 16.7% (vs. 18.1 nationally) but the road surface quality is better than the rest of the country. In 2015, 53.0% of households had access to the internet (vs. 59.1% nationally).

Taxes and Fees ●●●●

The level of local taxes and fees in the municipalities of Pernik district has been relatively favorable; changes have been rather in the direction of lowering taxes since 2012. The annual license tax for retailers, the waste collection fee, and the immovable property sale tax have been below the national average level. The vehicle tax and the tax on immovable property for legal entities were comparable to national average levels. The only change in 2016 was the raised waste collection fee in the municipality of Kovachevtzi – from 8 to 10‰.

Administration ●●●

Municipal administrations' self-rating shows that the development of electronic services and the level of preparedness to offer one-stop shop services for businesses and individuals are comparable to national figures. Cadastral map coverage has stayed at the same very low level since 2009. In 2015, it included only 4.5% of the district's territory (vs. 19.8% on average in the country).

According to the AIP Foundation's data the transparency of local government has been going up slightly in 2016 to reach 40.1%, but still remaining far below the national index figure of 54.2%. The only districts with lower transparency are Vidin and Shumen. The district center also got a low rating in the Local Transparency Index of Transparency International: 3.04/5.00 points vs. the national average of 3.14/5.00 points.

SOCIAL DEVELOPMENT ●●

Demography ●●

Since 2014, Pernik has been one of the four districts where for each person aged 0 to 14 there are corresponding 2 persons aged 65+. The other districts with such pronounced ageing population are Vidin, Gabrovo, and Kyustendil. The unfavorable age structure of the population strongly influences its natural growth rate. In 2015 it was -12.5%, which is almost twice less favorable than the national average rates. The population's migration rate is comparatively more favorable. Since 2010 a greater number of people have left the district than settling in, yet in 2015 the net migration level was almost zero. Because of the proximity of Pernik to the capital and the great number of local inhabitants working in it, almost 50% of the people permanently leaving the district of Pernik between 2007 and 2015 went to the capital.

In 2015, Pernik was one of the most strongly urbanized districts in the country, as 78.4% of the population lived in towns, while the national average rate was 73.1%.

Education ●●●

School education in the district of Pernik is characterized by above-average indicators for coverage and retention of the population in the educational process. In the last two years, the net enrolment rate of the population in 5th–8th grade gradually rose to reach a figure above the national level in 2015 – 78.3%. The relative shares of repeaters (0.7%) and dropouts (2.3%) in primary and secondary education have traditionally stayed below average levels for the country. High-school graduates have achieved results slightly below average at state matriculation exams in Bulgarian language and literature. In 2016, the average grade was “good” 4.06 (vs. “good” 4.17 for Bulgaria). The share of failures at this exam, on the other hand, was 8.3% in Pernik vs. 8.3% in the country. In the 2015/2016 school year there were 216 college students in Pernik, the smallest number since 2012, and the smallest number among all districts offering higher education.

Healthcare ●●

The number of general practitioners in the district is sufficient but the ratio of specialists to the population is the least favorable in the country. There is one specialist doctor for 928 people (vs. 544 for the country). The number of hospital beds in the district is limited and the number of hospitalizations is exceptionally low. The ratio of beds in general hospitals to the population was 2.3 per 1,000 people or half the national average rate of 4.6 per 1,000 people in 2015; the number of hospitalizations was 98 per 1,000 people – a record low for the country. These figures can be explained with the proximity of the capital and the preference of many patients to seek health-care there.

Security and Justice ●●●

The workloads of judges in the district court, though lower than those nationwide, have been on the rise. While the average rate in 2013 was 4.4 cases per judge per month (vs. 8.3 cases per judge in the country), in 2015 it dropped to 6.9 while the national rate remained unchanged. The share of pending criminal cases, on the other hand, dropped to 6.5% in 2015 (vs. 9.4% in the country). The share of criminal cases closed within 3 months in the district court reached 94.0% (vs. 88.1% nationally), one more indication of local justice administration's growing efficiency.

A major problem in the district of Pernik continues to be the relative high crime rate, combined with a low clearance crime rate. In 2015, the only districts with a greater number of registered crimes against the person and property were Burgas, Varna, Vratsa, Kyustendil, Pleven, and Sofia (capital city). However, the clearance crime rate was lower only in the capital and in Varna (30.4%) vs. 31.1% in Pernik and 39.2% in the country.

Environment ●●●●●

The high level of urbanization in the district of Pernik is a prerequisite for easier connectivity of a great part of the population to public sewerage systems. In 2014, the share of people living in areas with public sewerage systems reached 79.1% (vs. 74.5% nationally). Connectivity to WWTPs in the district reached 74.1%: only the district of Varna and the capital city registered higher levels: 86.2% vs. 96.1% respectively.

In 2014, the level of carbon dioxide emissions into the atmosphere increased to reach 292.8 t/sq. km, still staying below the national average level of 314.5 t/sq. km.

Culture ●

Cultural life is not very intense in the district of Pernik. In 2015, relative to the local population, the district registered the second lowest annual average rate of visits to theaters (83 visits per 1,000 people) after Veliko Tarnovo (71 visits per 1,000 people), while the national average rate was 302 visits per 1,000 people. Visits to libraries went down – their number in the district was 2.2 times lower than the national average rate of 583 visits per 1,000 people in 2015.

There were positive tendencies in museum visits only; they reached 58,700 in 2015 or 466 visits per 1,000 people but that rate was still lower than the national average of 664 visits per 1,000 people. Pernik is one of the five districts in the country which still had no cinema house in 2015.

Key Indicators for the District of Pernik

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	6,275	6,616	5,950	5,745	5,914	n.a.
Average annual income per household member (BGN)	4,194	4,473	5,021	5,764	5,941	6,093
Average annual gross salary (BGN)	5,890	6,080	6,392	6,719	7,063	n.a.
Relative share of people living below the national poverty line (%)	10.2	9.5	11.6	11.9	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	66.5	66.4	68.6	69.6	71.0	72.7
Annual average employment rate of the population aged 15 to 64 (%)	62.0	61.1	61.7	60.4	61.6	62.5
Annual average unemployment rate of the population aged 15 to 64 (%)	6.9	8.0	9.9	13.0	13.1	14.0
Relative share of the population aged 25 to 64 with tertiary education (%)	16.3	16.7	16.6	16.9	17.8	22.5
Number of non-financial enterprises per 1,000 people	38	37	38	39	40	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	941	707	853	983	992	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	1,777	1,945	1,865	1,796	1,735	n.a.
Relative share of households with internet access (%)	15.4	35.0	42.3	48.4	52.8	53.0
Share of roads in good condition (%)	48.7	41.7	52.0	48.9	49.5	49.2
Share of territory included in cadastral maps (%)	4.5	4.5	4.5	4.5	4.5	4.5

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-9.6	-11.3	-11.7	-11.1	-11.2	-12.5
Net migration rate (‰)	-1.9	-1.6	-1.7	-0.8	-1.7	-0.1
Average grades at state matriculation exams	4.2	4.4	4.1	4.2	4.3	4.1
Percent of failed students at state matriculation exams ("average" 3.00)	5.7	4.0	4.5	5.3	5.6	8.1
Net enrolment rate of the population in 5th–8th grade (%)	80.7	80.2	77.8	77.0	76.7	78.9
Health insured persons as share of the population (%)	88.6	88.8	88.3	87.5	88.6	90.0
Cases of hospitalization in general hospitals per 1,000 people	101	101	104	103	99	98
Registered crimes against the person and property per 1,000 people	14.8	14.3	14.9	15.2	14.0	15.4
Clearance rates for crimes against the person and property registered during the year (%)	43.5	38.2	33.1	34.6	30.6	31.1
Share of pending criminal cases (%)	8.6	8.5	7.8	10.1	10.0	6.5
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	71.5	74.0	74.1	74.2	74.1	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	258.6	297.8	257.0	250.9	292.8	n.a.
Number of visits to cinemas per 1,000 people	0	0	0	0	0	0
Number of visits to theatres per 1,000 people	78	88	84	69	55	83

Pleven District

► Population (2015)	253,556
► Area (sq. km)	4,653.3
► Number of settlements	123
► Share of urban population (%)	66.4



Overview

Living conditions in the district of Pleven are better than they are nationally due to the relatively high incomes and the gradual recovery of the labor market. Investment activity is higher than it was in the pre-crisis period, though still below the national average levels. Utilization of EU funds is relatively good, though the levels of local taxes and fees remain among the highest in the country and administrative development is lagging behind.

The demographic picture in the district is more favorable than in other districts in the North-west of Bulgaria though here, too, negative demographic tendencies are

clearly expressed. The state of education remains unsatisfactory, and has even been deteriorating according to some key indicators such as students' performance at matriculation exams. The district has kept its leading position in healthcare, and the environment indicators are similar to those in the rest of the country. Administration of justice in the district is relatively speedy but the average crime rate is higher than the national one, while the clearance crime rate dropped in 2015. Cultural life has gained in intensity, though it is still lagging behind the national average levels.

ECONOMIC DEVELOPMENT



Income and Living Conditions



Labor Market



Investment



Infrastructure



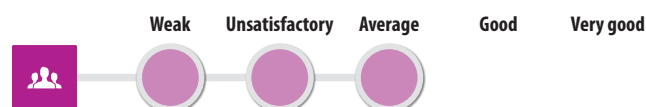
Taxes and Fees



Administration



SOCIAL DEVELOPMENT



Demography



Education



Healthcare



Security and Justice



Environment



Culture



ECONOMIC DEVELOPMENT ●●

Income and Living Conditions ●●●●

In 2015, average incomes in the district of Pleven amounted to 5,645 BGN, which is higher by 14% than the national average and higher than the previous year's by 602 BGN. The average annual gross salary was 7,400 BGN, which is lower than the national average by 25%, but that was compensated by households' incomes generated from other activities and by relatively high pensions.

The district is characterized by relatively low poverty levels. In 2013, the share of people living in material deprivation was 29.3%, whereas the share of those below the national poverty line was 10.1%. Both figures were below national average levels. In 2014, GDP per capita in the district amounted to 6,710 BGN while the national average was 11,574 BGN per capita.

Labor Market ●●●

The district's labor market registered a visible improvement in 2015. Employment rates among the population aged between 15 and 64 rose by 3.2 pp to reach 61.2% vs. the national level of 62.9%. Though economic activity rose (from 63.7% in 2014 to 67.5% in 2015) unemployment had a slight increase: from 9.0% in 2014 to 9.2% in 2015. Having in mind the growing economic activity of the population, the labor market managed to create jobs for almost all people who joined the workforce in 2015. Some improvement in the educational profile of the workforce was also noticeable. The share of people with higher education rose to reach 24.5% in 2015, though still remaining below the national average rate of 27.5%.

The demographic replacement ratio improved to 59.9% (vs. 62.9% nationally), which means that for every 100 people aged 60 to 64 about to leave the labor market soon there are about 60 people aged 15 to 19 to join it.

Investment ●●

Investment activity in the district is relatively low against the background of most districts but, contrary to the dominant tendencies, it intensified after the crisis. The peak of FTA acquisition expenditure relative to the district's population was in 2012, when it reached 1,833 BGN per capita. Despite the decline that followed in 2013 and 2014, its level stayed higher than the pre-crisis one, though far from the national average of 2,786 BGN per capita. In 2013, the district registered a serious net inflow of foreign investment of 116 m euro. Nevertheless, the cumulative FDI relative to the population (1,208 euro per capita as of the end of 2014) was still lagging behind the national value of 3,006 euro per capita. The district is also characterized by a high rate of EU fund utilization by municipal administrations. Sums paid to municipal beneficiaries from op-

erational programs amounted to 822.3 BGN per capita as of 31.05.2016.

Infrastructure ●●●

The infrastructural development of the district has been following the national average rate to a considerable extent. Road network density is a little below the national average of 17.8 km per 100 sq. km, while that of railroads is 4.4 km per 100 sq. km vs. the national average density of 3.6 km per 100 sq. km. Though the share of motorways and first class roads is relatively low, the quality of road surfaces is close to the national average: in 2015, 39.0% of it was in relatively good condition.

The relative share of households with internet access in the district of Pleven was 54.5% in 2015, which was close to the national average of 59.1%. The share of people between 16 and 74 to have used the internet in the past 12 months grew from 45.8% in 2014 to 56.3% in 2015.

Taxes and Fees ●●

Tax rates have remained unchanged in most of the district's municipalities since 2014. The immovable property tax for legal entities was 2.81‰ in 2016, which is higher by almost 1‰ than the national average. This makes it the second highest after the tax rate in the district of Sliven. The local tax on the sale of immovable property remained 2.81‰ in 2016, also higher than the national average rate.

The average rate of the waste collection fee rose to 6.17‰ in 2016, but is still lower than the national average of 7.64‰. The overall rise came from the municipalities of Levski and Pleven, where the waste collection fees rose by 1.10 and 1.91‰, respectively.

Administration ●●

Cadastral map coverage in the district has stayed almost unchanged since 2008 – in contrast to the country, where it has been increasing as a whole. A slight improvement was noted only in 2015 because of the increased coverage in the municipality of Cherven Bryag. The municipalities of Dolni Dabnik, Iskar, Pordim, and Knezha have remained with no coverage at all.

The development of electronic government and one-stop shop services in the district has continued to lag behind national average levels. In 2016, the AIP Foundation's Active Transparency Rating of local government gave the district's municipalities an average rating close to the national average of 54.1%.

SOCIAL DEVELOPMENT ●●●

Demography ●●

Pleven is the district with the best demographic situation in northwestern Bulgaria, yet, the natural growth rate remained -10.0‰ in 2015, when the national average rate was 6.2‰. The net migration rate was still negative in 2015, which indicates that more and more people were leaving the district. Both demographic dependence ratios – the ratio of the number of people aged over 65 to that of children under 14 and to those of working age (15 to 65) – have continued to deteriorate. In 2015, they reached 185.9 and 40.8% while the national average rates were 146.4 and 31.1%, respectively.

In 2015, Pleven had the highest share of urban population – 66.4% – compared to all districts in northwestern Bulgaria.

Education ●●

Though being economically the best developed district in the Northwestern Region, Pleven has been lagging behind in the sphere of education. The local educational system's strong points include the population's enrolment rate in 5th–8th grade and the relatively favorable ratio between high school teachers and students (76 teachers per 1,000 students vs. 73 nationwide). However, there has been a noticeable tendency of shrinking of the coverage of the educational system in the last two years. The share of dropouts from primary and secondary school in the 2014/2015 school year is almost equal to the national average of 2.8%.

At the same time, the quality of education in high schools is deteriorating as 2016 was the first year when the average grade of the local school graduates at the exam in Bulgarian language and literature was lower than “good” 4.00. The percentage of those who failed at the exam grew by 4.5 pp. in 2015 to reach 14.7% – considerably above the national average level of 8.7%.

Healthcare ●●●●●

Pleven is one of the districts with the best healthcare in the country, particularly where access to specialist doctors and hospitals is concerned. There are 1,244 people per general practitioner, the lowest number in the country. The same is true of the number of people per specialist doctor: 404 people in 2015. The number of hospital beds keeps growing. In 2015, the district of Pleven had the best ratio between the number of beds in general hospitals and the local population (7.3 beds per 1,000 people vs. the national average of 4.6 beds per 1,000 people).

In 2015, the share of health-insured people in the district grew to 90.8% vs. 88.5% nationally.

Security and Justice ●●●

In 2015, Pleven was again among the districts with the greatest number of criminal cases closed within 3 months. The share of pending criminal cases fell from 11.0% in 2014 to 8.1% in 2015, when the national average rate was 9.4%. That dynamics was not surprising, having in mind the fact that the workloads of criminal judges dropped in 2015: 6.8 cases per month per judge compared to 8.3 cases in the country as a whole.

In the last few years the number of registered crimes in the district was higher than the national average levels, observing a slight increase in 2015. The clearance crime rate dropped to 36.3% but remained close to the average levels.

Environment ●●●

The development of the water supply and sewerage network systems as well as that of the wastewater treatment infrastructure has been lagging in the district. In 2014, the share of the population living in areas with public sewerage systems was 56.7% vs. the national average of 74.9%. The share of the population with access to sewerage connected with WWTPs was 41.3% vs. 56.8% in the country.

The level of carbon dioxide emissions into the atmosphere has been relatively low, in spite of a slight increase in recent years. In 2014, they were 56, 7 t/sq. km vs. 314,5 t/sq. km for the country.

Culture ●●

The cultural life in the district of Pleven has improved, though still lagging behind the country average levels. After 2014 the number of registered visits to museums relative to the population surpassed the country average levels, and reached 716 visits per 1,000 people. The annual average number of cinema visits also increased to reach 511 visits per 1,000 people in 2015, thus gradually approaching country average levels.

The rate of visits to local theaters also rose, though both theaters and libraries in the district have not enjoyed interest similar to that in other districts.

Key Indicators for the District of Pleven

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	5,399	6,317	6,298	6,639	6,710	n.a.
Average annual income per household member (BGN)	4,206	3,902	5,091	5,431	5,043	5,645
Average annual gross salary (BGN)	6,093	6,308	6,646	7,046	7,400	n.a.
Relative share of people living below the national poverty line (%)	29.5	21.4	19.6	10.0	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	61.1	61.6	61.9	66.1	63.7	67.5
Annual average employment rate of the population aged 15 to 64 (%)	53.3	54.1	55.5	58.1	58.0	61.2
Annual average unemployment rate of the population aged 15 to 64 (%)	12.8	12.0	10.3	12.1	9.0	9.2
Relative share of the population aged 25 to 64 with tertiary education (%)	17.5	18.5	21.7	22.9	23.6	24.5
Number of non-financial enterprises per 1,000 people	35	35	35	36	37	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	1,056	1,079	1,833	1,618	1,473	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	532	652	736	1,208	1,208	n.a.
Relative share of households with internet access (%)	27.2	35.8	37.3	47.6	43.8	54.5
Share of roads in good condition (%)	28.5	29.2	31.0	38.8	39.0	39.0
Share of territory included in cadastral maps (%)	10.0	10.0	10.0	10.0	10.0	10.8

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-9.0	-9.6	-10.1	-9.1	-10.0	-10.0
Net migration rate (‰)	-5.3	-2.5	-4.4	-4.7	-4.0	-4.9
Average grades at state matriculation exams	4.2	4.3	4.1	4.1	4.1	4.0
Percent of failed students at state matriculation exams ("average" 3.00)	5.9	4.7	8.0	8.7	7.9	10.2
Net enrolment rate of the population in 5th-8th grade (%)	77.0	83.5	82.7	83.5	82.9	80.4
Health insured persons as share of the population (%)	84.9	89.4	88.8	88.2	89.5	90.8
Cases of hospitalization in general hospitals per 1,000 people	197	207	278	309	236	323
Registered crimes against the person and property per 1,000 people	15.9	16.5	15.9	16.7	15.7	16.0
Clearance rates for crimes against the person and property registered during the year (%)	45.1	42.1	38.5	36.7	39.2	36.3
Share of pending criminal cases (%)	10.2	7.3	6.2	5.3	11.0	8.1
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	39.6	41.0	41.0	41.2	41.3	n.a.
Carbon dioxide emissions into the atmosphere (t/km2)	51.0	62.3	50.6	52.8	56.7	n.a.
Number of visits to cinemas per 1,000 people	150	192	185	214	388	511
Number of visits to theatres per 1,000 people	79	108	126	141	138	172

Plovdiv District

► Population (2015)	674,435
► Area (sq. km)	5,972.9
► Number of settlements	224
► Share of urban population (%)	74.9



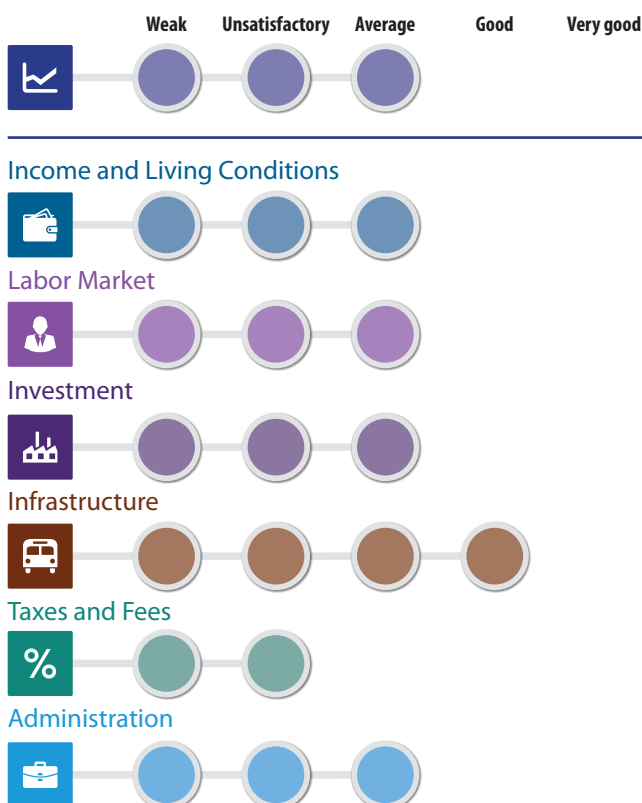
Overview

In 2014, the district economy registered a certain slow-down. The labor market did not improve seriously, either, though unemployment went down in 2015. In 2014, FTA acquisition expenditure rose in Plovdiv district while foreign investment registered an outflow after a four-year steady influx of capital. Road quality was still higher than the average for the country; it went up in the last two years.

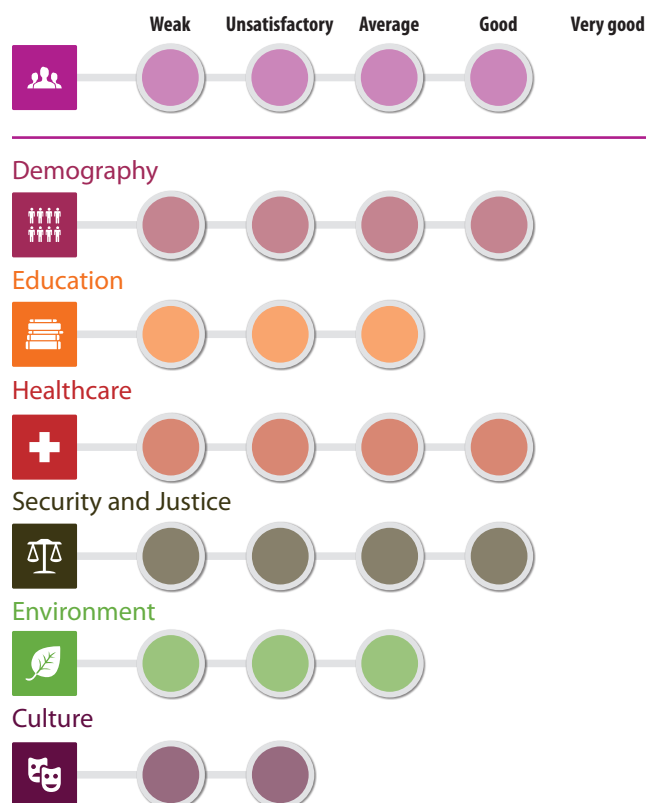
Population ageing is slower in the district of Plovdiv than it is in the country as a whole. Plovdiv has remained one of

the few districts with a positive net migration rate. In education, the district has registered some of the highest shares of repeaters and dropouts, though high school graduates performed relatively well at matriculation exams. Plovdiv is among the districts with the greatest numbers of doctors, hospital beds, and hospitalizations relative to the population. Though court workloads are relatively high in the district, this does not affect the speedy work of the court. Visits to theaters, museums, and libraries are fewer compared to the average numbers for the country.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ●●●

Income and Living Conditions ●●●

GDP per capita in the district of Plovdiv was 9,268 BGN in 2014, which makes it the eighth largest in the country. In 2014, the economy registered a slowdown, and the annual average income per household member in 2014 and 2015 slightly declined, mostly because of lower pension, unemployment, and welfare incomes. However, the average annual gross salary of employed people registered a steady growth: in 2014, it reached 8,504 BGN.

In 2013, the share of the population living in material deprivation in the district of Plovdiv was 30.4%, which is below the national average. The relative share of the people living below the national poverty line, however, reached 23.1% – the highest level in the district for the last seven years, probably caused by the falling incomes. The relative poverty among men rose faster between 2011 and 2013.

Labor Market ●●●

The population's economic activity rose considerably in 2013 and 2014, reaching 71 to 72%. As the labor market was unable to respond to this trend with a similar growth in employment, unemployment in Plovdiv surpassed the national average. In 2015, economic activity went down again to 68.8%, which was still above the 2008 level by nearly 3 pp. In 2015, unemployment dropped to 9.6%, thus coming close to the national average of 9.1%.

In 2015, employment remained relatively unchanged: 62.1% (vs. 62.2% in 2014), thus ending a three-year long upward tendency, yet, failing to reach the country average level of 62.9%.

The educational structure of the workforce stayed below the national average level in spite of improving in recent years. In 2015, the population aged between 25 and 64 with higher education reached 25.4% (vs. 27.5% for the country), while that with primary or lower education reached 19.7% (vs. 18.1% nationally).

Investment ●●●

In 2014, FTA acquisition expenditure went up in the district to almost reach the country average level relative to the population: 2,422 BGN per capita vs. 2,786 BGN per capita in the country. However, foreign investment lagged behind, and even declined in 2014 after a steady four-year-long growth: it reached 2,292.8 euro per capita vs. the average rate of 3,006.6 euro per capita in the country.

EU fund utilization by municipal administrations in the district continued to lag behind the average rate in the country, though it grew steadily in recent years. Payments to municipal beneficiaries from operational programs in the district of Plovdiv as of 31 May 2016 amounted to 529.6 BGN

per capita (vs. 688.8 BGN per capita in the country). The highest figures of utilized funds were in the municipalities of Sopot and Hisarya (almost 4,000 BGN per capita) while the lowest were those of Saedinenie and Brezovo (about 100 BGN per capita).

Infrastructure ●●●●

Due to its natural location and the numerous settlements and municipalities in it, Plovdiv is one of the districts with the highest railway network density. The density of roads, as well as the share of motorways and first class roads in Plovdiv, is close to, though lower than the average levels for the country. Road quality in the district continues to be high; it rose even further in the last two years. In 2015, 47.1% of road surfaces were in good condition while the national average rate was 40.7%.

In 2015, Internet access and usage in the district registered levels similar to those in the country as a whole.

Taxes and Fees ●●

The rates of local taxes and fees in the municipalities of Plovdiv district were close to the respective national average rates in all five monitored categories. In 2016, the rates of the license tax for retailers and vehicle tax were higher, whereas those of immovable property tax for legal entities, the property transfer tax, and the waste collection fee were a little lower.

In comparison with 2015, the rate of vehicle tax in the municipality of Plovdiv went down (from 74 to 110 kW), while the municipalities of Perushtitsa and Rodopi raised the rate of the waste collection fee for immovable property of legal entities.

Administration ●●●●

The development of electronic government and one-stop shop administrative services in the district of Plovdiv were comparable to processes in the country.

At the same time, municipal administrations' transparency was rated much lower in 2016 than in 2015. The average rating for the district's municipalities reached 47.8% vs. the national average of 54.2% in 2016. The most transparent municipalities in the district were those of Asenovgrad and Plovdiv (rated above 50%), whereas the least transparent ones were those of Brezovo, Parvomay, Maritsa, Perushtitsa, Rakovski, and Hisarya (rated below 40%). In the Local Transparency Index of Transparency International, the municipalities in the district of Plovdiv were rated close to, but higher than the average rating for the country.

SOCIAL DEVELOPMENT ●●●●●

Demography ●●●●●

Population ageing is slower in the district than nationwide, and the age dependence ratio stayed more favorable in 2015 as well.

The natural growth rate in the district grew to -4.9‰ in 2015, but retained a negative value considerably lower than the national average (-6.2‰). Plovdiv also remained one of the few districts with a positive net migration rate of 1.4‰ in 2015.

Similar to national trends, an increasing part of the district's population (74.9%) lives in towns vs. the national rate of 73.1%. Yet, in 2015, population density in towns and villages remained considerably above that in the country, 2,532.3 people/sq. km vs. 1,559.3 people/sq. km, respectively.

Education ●●●●●

In 2015, the net enrolment rate of the population in 5th–8th grade in the district was 78.0%, close to the national average of 78.3%. It should be noted, though, that both values have been declining in recent years in Plovdiv and the country.

Plovdiv is still among the districts with the highest shares of repeaters (1.8% vs. 1.0% in the country in 2015) and drop-outs in primary and secondary education (3.9% vs. 2.8% in the country in 2014).

However, high school graduates in the district performed relatively well at the matriculation exams in 2016. The average grade at the exam in Bulgarian language and literature in the district was “good” 4.27 (vs. “good” 4.17 in the country), while the share of failing grades was 8.61% (vs. 8.73% in the country).

Though declining in comparison to 2014, the number of people with higher education in the district of Plovdiv – almost 39,000 – allotted it the second place after the capital in terms of number of college and university students.

Healthcare ●●●●●

After the opening of several new hospitals and the enlargement of existing ones, in 2015, the number of beds in general hospitals in the district reached almost 5,000 – the second largest number after that in the capital. Relative to the population, Plovdiv also comes second after the district of Pleven with 7.2 beds per 1,000 people while the national average rate is 4.6 per 1,000 people. This also explains the abrupt rise in the number of hospitalizations in 2015.

The number of doctors also increased in 2015, and there were 435 people per specialist doctor (vs. 544 in the country). The ratio of general practitioners to the population in

the district of Plovdiv also remained more favorable than that in the country.

Security and Justice ●●●●●

Despite the relatively high workloads of the district's courts, court efficiency was not affected in terms of speedy administration of justice. In 2015, the workloads of criminal judges in the district (10.6 cases per month per judge) were the second highest after those in the capital, but unlike Sofia (capital city) cases in Plovdiv were solved relatively faster. Almost 93% of criminal cases were closed within 3 months (vs. 88.1% in the country and 76.0% in the capital), and 5.4% of cases pending (vs. 9.4% in the country and 15.4% in the capital).

Relative to the population, the number of registered crimes in Plovdiv district is still lower than that in Bulgaria. In 2015, little below 7,000 crimes against the person and property were registered – the lowest figure for Plovdiv in the last 15 years. Relative to the population, there were 10.3 registered crimes per 1,000 people (vs. 13.6 per 1,000 people in the country). Nevertheless, the clearance crime rate (37.8%) remained below the national average of 39.2%.

Environment ●●●●●

Air pollution levels continue to be lower in the district than the national average rate. In 2014, carbon dioxide emissions in Plovdiv were 131.7 t/sq. km vs. 314.5 t/sq. km in the country. In 2014, the figures of household waste were bigger: 485 kg of household waste generated per person in the district vs. the national average of 442 kg per person.

The population's access to public sewerage, as well as its connectivity to WWTPs, was commensurate with national average rates.

Culture ●●●●●

In 2015, visits to cinemas in Plovdiv district rose to reach 869 per 1,000 people (vs. 744 per 1,000 people nationally). Visits to theaters, museums, and libraries were fewer compared to national average numbers. The largest variance was registered in the number of visits to libraries: Plovdiv's rate of 234 visits per 1,000 people was almost 2.5 times lower than the national average of 583 visits per 1,000 people.

In 2015 the average annual number of visits to museums in the district of Plovdiv rose to reach 493 per 1,000 people, though it was still below the national average number of 664 visits per 1,000 people.

Key Indicators for the District of Plovdiv

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	7,924	8,888	9,087	9,394	9,268	n.a.
Average annual income per household member (BGN)	3,745	3,657	3,988	4,514	4,410	4,300
Average annual gross salary (BGN)	6,462	6,889	7,418	7,922	8,504	n.a.
Relative share of people living below the national poverty line (%)	20.9	20.3	19.3	23.1	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	64.6	64.2	67.7	70.7	71.7	68.8
Annual average employment rate of the population aged 15 to 64 (%)	59.0	58.4	60.0	61.2	62.2	62.1
Annual average unemployment rate of the population aged 15 to 64 (%)	8.5	8.8	11.2	13.4	13.1	9.6
Relative share of the population aged 25 to 64 with tertiary education (%)	22.5	23.6	22.6	23.4	25.1	25.4
Number of non-financial enterprises per 1,000 people	51	50	51	51	52	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	1,724	2,144	2,514	2,291	2,422	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	1,600	1,847	1,972	2,436	2,293	n.a.
Relative share of households with internet access (%)	35.3	47.5	55.1	60.7	45.0	61.7
Share of roads in good condition (%)	49.8	47.5	48.0	43.7	44.5	47.1
Share of territory included in cadastral maps (%)	20.8	24.4	24.4	24.4	24.4	24.4

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-3.6	-3.8	-4.5	-4.0	-4.3	-4.9
Net migration rate (‰)	-4.1	0.2	1.4	3.1	0.5	1.4
Average grades at state matriculation exams	4.3	4.5	4.3	4.3	4.3	4.3
Percent of failed students at state matriculation exams ("average" 3.00)	3.9	3.2	5.0	4.9	4.6	7.0
Net enrolment rate of the population in 5th–8th grade (%)	81.9	82.3	80.7	79.5	78.8	78.0
Health insured persons as share of the population (%)	87.2	88.4	87.7	86.5	87.2	88.4
Cases of hospitalization in general hospitals per 1,000 people	228	228	328	353	242	412
Registered crimes against the person and property per 1,000 people	13.9	11.9	10.9	11.3	10.6	10.3
Clearance rates for crimes against the person and property registered during the year (%)	38.9	35.3	33.6	32.1	34.4	37.8
Share of pending criminal cases (%)	3.7	5.9	5.3	5.4	14.6	5.4
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	50.8	54.1	54.3	54.6	54.9	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	95.8	141.6	151.0	127.6	131.7	n.a.
Number of visits to cinemas per 1,000 people	772	799	703	769	808	869
Number of visits to theatres per 1,000 people	151	204	190	250	299	259

Razgrad District

- Population (2015)
- Area (sq. km)
- Number of settlements
- Share of urban population (%)

118,145

2,639.7

119

47.1



Overview

In recent years, incomes and salaries in the district have been growing; still, living standards have stayed below the national average. Indicators for living conditions and social inclusion have followed the national trends; the poor constitute about 1/5 of the population, while those living in material deprivation are about 1/3. The labor market, however, is faced with a number of challenges: the district registered one of the lowest employment rates – the fourth highest unemployment rate in the country, and poor economic activity of the population. The labor market problems come as a consequence of the relatively limited influx of foreign and domestic investment. FTA acquisition expenditure is approaching its pre-crisis levels though still nearly twice

lower than the national average. The municipalities in the district are among the best in EU fund utilization, yet, this has failed to compensate for insufficient private investment. The population's age structure remains relatively favorable. Natural growth rates are negative and further deteriorating. Net migration rates follow similar trends. These processes entail a rapid deterioration of the population's age structure. The district is characterized by a high coverage of the educational system, but also considerable numbers of dropouts and poor performance of students at matriculation exams. Doctors remain insufficient in number and specialist qualification. The cultural life is poorly developed compared with the other regions in the country.

ECONOMIC DEVELOPMENT

Weak Unsatisfactory Average Good Very good



Income and Living Conditions



Labor Market



Investment



Infrastructure



Taxes and Fees



Administration



SOCIAL DEVELOPMENT

Weak Unsatisfactory Average Good Very good



Demography



Education



Healthcare



Security and Justice



Environment



Culture



ECONOMIC DEVELOPMENT ●●

Income and Living Conditions ●●●

Indicators characterizing living standards in the district of Razgrad have been improving gradually in recent years. Salaries have been growing fast since 2011 to reach 4,164 BGN in 2014. In 2015, annual household incomes rose by 4.1%; 54.0% of them were generated by salaries vs. 57.0% for the country. Between 2008 and 2014, GDP per capita grew from 56.1 to 70.4% of the national average, amounting to 8,152 BGN per capita in the last year.

In spite of these positive trends, the levels of incomes, salaries, and GDP per capita have stayed below national average levels. The relative share of people living in material deprivation – about 1/3 of the population, and that of people living below the poverty line (20.8% in the district vs. 21.8% in the country) have been close to national average levels.

and least – in the municipalities of Tsar Kaloyan (39.9 BGN per capita) and Zavet (71.7 BGN per capita).

Infrastructure ●●●

The density of the road network in the district is higher than the national average though only 11% of it consists of motorways and first class roads. In 2015, the share of roads in good condition dropped abruptly compared to the previous year to 22.7% vs. the national average of 40.7%.

In 2015, 58.1% of households in the district had internet access and 59.8% of people aged 16 to 74 used the internet. Both indicators are close to national average levels.

Labor Market ●●

Though in recent years Razgrad's state of labor market has gradually improved, it has been unsatisfactory on the whole. In 2015 economic activity (65.6%) was lower than that in the country (69.3%). Employment followed a line of gradual increase (55.6% in 2015), though remaining relatively low. Unemployment gradually declined from 21.4% in 2012 to 15.0% in 2015. Nevertheless, it is still above the national level of 9.1% and that allots Razgrad the fourth place among the districts with the highest unemployment. The only indicator where the district has been performing better than the national average levels is the demographic replacement rate. In 2015, for every 100 people aged 60 to 64 about to leave the workforce there were about 66 people aged 15 to 19 about to join it (vs. the national average rate of 63.5%).

Taxes and Fees ●●●

Taxes and fees in the municipalities of Razgrad district are close to national average rates; the only significant variance is with the license tax for retailers, which is lower in Razgrad: 9.16 BGN/sq. m vs. 12.74 BGN on average in the country. The rate of the immovable property tax of legal entities is a little higher than the country average rate: 2.02‰ in the district vs. 1.86‰ in the country in 2016.

Local taxes and fees in the district's municipalities have generally remained unchanged in the last five years. The only exception is the waste collection fee in the municipality of Loznitsa, which rose from 5.2‰ in 2013 to 6.18‰ in 2014 and 6.85‰ in 2015.

Investment ●●

Since 2010 Razgrad continues to be one of the six districts with the smallest number of companies relative to the population. FTA acquisition expenses have already surpassed their pre-crisis levels, reaching 1,518 BGN per capita in 2014 vs. 1,428 BGN per capita in 2008, but are still almost half the national average.

After a certain influx of foreign investment in 2012 and 2013, in 2014 there was a drop in its cumulative size to 969 euro per capita, a level similar to that of 2009. As of 31 May 2016 municipalities in the district of Razgrad had utilized 118 m BGN of EU funds, one of the highest rates of utilization in the country (997 euro per capita). Most funds were utilized in the municipality of Kubrat (1,974 BGN per capita)

Administration ●●●

In 2015, 18.9% of the district's territory was included in cadastral maps (vs. 19.8% in Bulgaria). Cadastral coverage has been increasing nationally, but it has stayed unchanged in the district of Razgrad since 2009.

In the local administrations' self-rating for providing electronic and one-stop shop services the district registered a decline in 2016. In comparison to the previous year, when electronic services were rated higher than the national average (rating of 2.9 out of a maximum of 4 – vs. the national average rating of 2.8), they dropped to 2.5 or below the national average level. One-stop shop services on their part dropped from a rating of 3.5 out of a maximum of 4 for the previous year to 2.7 in 2016. Local administrations' transparency, however, was higher than the national level, though it was rated lower than the previous year.

SOCIAL DEVELOPMENT ●●

Demography ●●

Until 2008, the natural growth rate in Razgrad district was similar to the national average rate. However, since 2009, it has been declining rapidly to reach -8.3% in 2015 when the national average rate was -6.2% . Intensive migration out of the district in recent years has probably contributed to this trend. Age dependence ratio has remained relatively favorable, but the difference from the national average rates has been gradually abolished in the last 15 years. In 2015, Razgrad ranked second because of its worst net migration rate for that year (-7.0%), which was outdone only by the district of Smolyan.

Razgrad is the least urbanized district in the country after Kardzhali. In 2015, the share of urban population was 47.1% vs. 73.1% in Bulgaria.

Education ●●

For the fourth successive year Razgrad has kept the first place in Bulgaria for the highest rate of the population's net enrolment rate in 5th–8th grade, though the district makes no exception from the general tendency for an ever shrinking coverage of the educational system in the last two years. Despite the high number of enrolled students, schools fail to keep them and the share of dropouts remains high. It even rose in 2014 compared to 2013 to become one of the highest in the country: 4.3%.

The district's high school students have performed considerably worse at state matriculation exams compared with their peers in the country as a whole. The share of failing grades at the exam in Bulgarian language and literature kept rising to reach 15.43% in 2016 (vs. the national rate of 8.73%). The only districts with worse results were Kardzhali, Sofia, and Yambol. In the last five years the average grade of the district's high school graduates was between 3.82 and 3.91 while the national average grades were between 4.17 and 4.32.

The number of students enrolled in the Ruse University affiliate in Razgrad (the single higher education establishment in the district) declined in the last academic year: enrolment was only 319.

Healthcare ●

The key factor for the low rating of the district in healthcare is the shortage of doctors. One general practitioner is responsible for an average of 2,461 people – the least favorable ratio in all of Bulgaria (the average being 1,619 people). As for specialist doctors, only the districts of Pernik, Dobrich, and Sliven have worse ratios to the local population. The infant mortality rate in Razgrad has traditionally remained higher than that in Bulgaria.

The rate of both beds in general hospitals (4.6 per 1,000 people) and hospitalizations to the local population (225 per 1,000 people) is comparable to the national average rates. In 2015, 92.4% of the population had health insurance when the national average rate was 88.5%.

Security and Justice ●●●●●

The rating of Razgrad district in this category is “very good” as a consequence of both the small number of registered crimes against the person and property and the efficient work of law enforcement institutions. The clearance crime rate in the district (61.4%) is considerably higher than the national average of 39.2%.

In 2015, the workloads of criminal judges in the district court were close to their national average rate: 8.1 cases per month per judge vs. 8.3 in the country. Still, the share of criminal cases which were closed within 3 months that year was higher (93.0%) than the average rate of 88.1% in the country, while the share of pending cases dropped to half its value, reaching 4.5%.

Environment ●●●

The air in the district is relatively clean but the construction of public sewerage networks and WWTPs has been lagging behind. The level of carbon dioxide emissions into the atmosphere was on the decrease in 2014, now being over 6 times lower than national average emissions. The low share of the population living in areas with public sewerage (41.8% vs. 74.9% in the country in 2014) has been preserved. The same holds true of the limited coverage with WWTPs, which remained at its 2013 level of 41.8% vs. the national average of 56.8%. Only one WWTP is in operation in the district of Razgrad, one of the key reasons for that being the low level of urbanization.

Culture ●●

2015 witnessed a growing interest in local theaters. The ratio between registered visits to theaters and the local population rose to 312 visits per 1,000 people, a figure above the national average of 302 visits per 1,000 people. Though the first cinema in the district was opened in 2014, visits remained limited. Visits to libraries declined in 2015 compared with the previous year, and interest in local museums remained low despite the fact that some of them were reconstructed within the framework of Operational Program “Regional Development” in the last years.

Key Indicators for the District of Razgrad

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	5,880	6,708	7,584	7,846	8,152	n.a.
Average annual income per household member (BGN)	2,621	2,753	3,131	3,264	4,000	4,164
Average annual gross salary (BGN)	6,071	6,488	7,065	7,533	8,351	n.a.
Relative share of people living below the national poverty line (%)	33.7	37.5	16.4	20.8	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	61.2	63.1	64.7	63.4	64.2	65.6
Annual average employment rate of the population aged 15 to 64 (%)	47.4	50.2	50.7	50.2	52.8	55.6
Annual average unemployment rate of the population aged 15 to 64 (%)	22.6	20.3	21.4	20.7	17.7	15.0
Relative share of the population aged 25 to 64 with tertiary education (%)	12.1	12.9	14.0	13.7	16.2	18.7
Number of non-financial enterprises per 1,000 people	33	33	33	33	33	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	663	1,020	1,363	1,314	1,518	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	1,106	962	1,028	1,079	969	n.a.
Relative share of households with internet access (%)	27.9	42.2	58.1	51.2	59.4	58.1
Share of roads in good condition (%)	34.9	34.6	32.0	34.5	33.1	22.7
Share of territory included in cadastral maps (%)	18.9	18.9	18.9	18.9	18.9	18.9

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-6.0	-6.4	-6.2	-7.0	-7.6	-8.3
Net migration rate (‰)	-13.2	-7.9	-5.4	-5.9	-5.3	-7.0
Average grades at state matriculation exams	3.9	4.1	3.8	3.9	3.9	3.9
Percent of failed students at state matriculation exams ("average" 3.00)	11.1	7.6	12.1	12.1	10.8	12.9
Net enrolment rate of the population in 5th–8th grade (%)	80.2	84.9	85.3	86.0	85.2	84.7
Health insured persons as share of the population (%)	87.6	91.1	90.0	89.3	90.3	92.4
Cases of hospitalization in general hospitals per 1,000 people	196	202	211	232	227	225
Registered crimes against the person and property per 1,000 people	11.6	10.3	9.2	9.7	8.7	9.4
Clearance rates for crimes against the person and property registered during the year (%)	66.3	61.8	62.7	63.4	64.3	61.4
Share of pending criminal cases (%)	5.3	8.2	9.1	8.7	9.0	4.5
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	40.8	41.9	41.9	41.8	41.8	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	30.7	41.2	39.0	54.6	47.4	n.a.
Number of visits to cinemas per 1,000 people	0	0	0	0	25	29
Number of visits to theatres per 1,000 people	280	149	196	258	288	312

Ruse District

- Population (2015)
- Area (sq. km)
- Number of settlements
- Share of urban population (%)

226,680

2,803.4

88

77.4

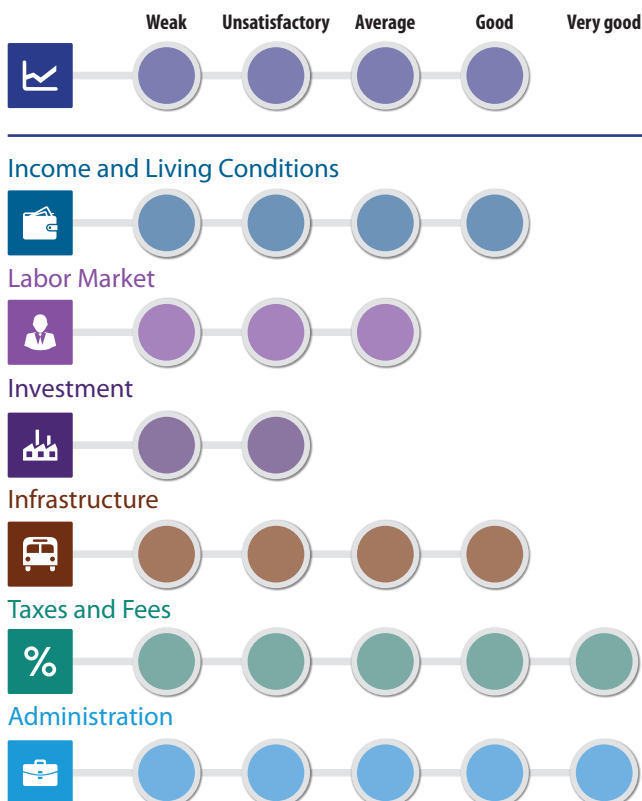


Overview

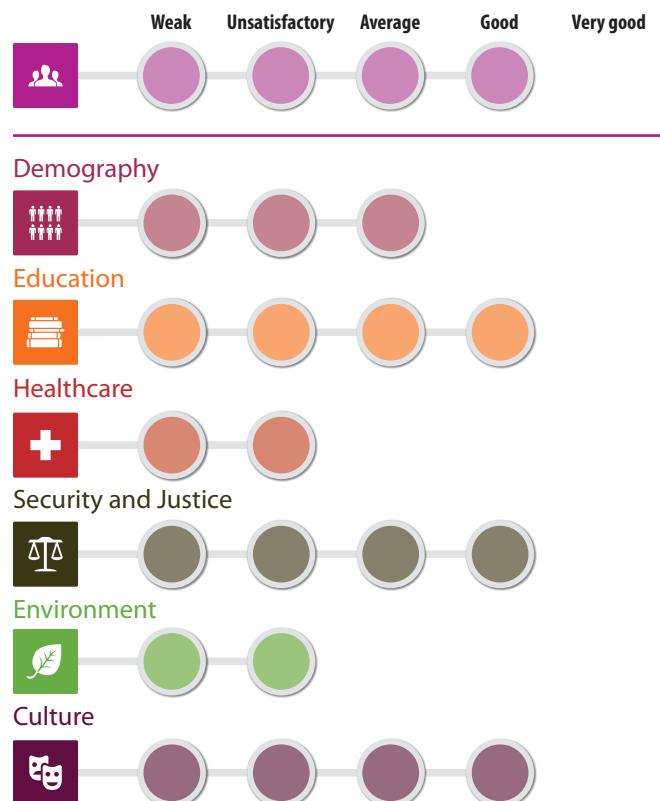
In 2014, the district of Ruse ranked sixth in terms of GDP per capita. Compared to 2010, Ruse had the second largest GDP growth (after Stara Zagora) in Bulgaria, both in absolute terms and relative to the population. Unemployment has been declining while employment keeps rising. Nevertheless, investment, both domestic and foreign, and the utilization of EU funds by municipalities in the district have remained below the national levels. The quality of road surfaces remains far below the average levels, and keeps deteriorating. Local taxes and fees are relatively low.

During the last decade, the demographic situation in the district has been deteriorating faster than nationwide, mostly because of the low natural growth. The district's students have traditionally received close to the national average grades at matriculation exams, and they had relatively few failing grades in 2016. Healthcare in the district suffers from lack of doctors and relatively few hospital beds. The clearance crime rate remains lower than the national average. A great part of the population is still living without access to public sewerage. The district has an intense cultural life.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT

Income and Living Conditions

In comparison to 2010, in 2014, the district of Ruse had the second largest increase in GDP in Bulgaria after Stara Zagora, both in absolute size (30%) and per capita (41%). It ranked sixth in GDP per capita, having ranked tenth in 2010. Regardless of this fact, GDP per capita in the district (9,675 BGN) was below the country average of 11,574 BGN.

In 2013 and 2014 incomes in Ruse district were lower than national average rates but in 2015 they grew by over 16% (vs. the national rate of 3%) to reach 5,303 BGN per household member, thus surpassing the average level in Bulgaria. However, salaries continued to lag behind in 2014, though they grew at rates comparable with the country average.

Labor Market

The key indicators for the labor market in Ruse are comparable with national average levels. Economic activity grew considerably in 2015 but was still unable to compensate for the slump in 2014. Unemployment continued to decline and reached 9% in 2015, remaining below average levels for the last three years. In 2014, employment grew after the decline to reach 60.0% in 2015, though still remaining below the national average of 62.9%.

Ruse is still among the districts with relatively unfavorable demographic replacement ratio, which means that there are relatively few youngsters between 15 and 19 who could replace the people aged between 60 and 64, who are about to retire.

Investment

Investment activity in the district remains below average in the country, judging by the number of non-financial enterprises relative to the population, and by foreign and domestic investment. By the end of 2014, FDI had reached almost 390 m euro or 1,701.8 euro per capita; the national average being 3,006.6 euro per capita.

The district has been lagging in the utilization of EU funds by municipalities as beneficiaries of operational programs. As of 31 May 2016, sums paid to municipalities amounted to 472.6 BGN per capita (vs. 688.8 BGN per capita for the country). The municipality of Byala had absorbed most funds relative to the population: 3,124.9 BGN per capita, while Vetovo had absorbed least: 57.4 BGN per capita.

Infrastructure

Ruse is an important transport hub and the density of the road and railway networks is above the national average. The share of motorways and first class roads is also bigger: 21.5% in 2014 vs. the national average of 18.1%. Still, road quality is low in the district and the share of road surfaces in good condition kept shrinking to reach 26.0% in 2015 vs. the national average of 40.7%.

Internet access and usage in the district are above national average levels. In 2015, 60.9% of households had internet access (vs. 59.1% nationally) and 64.8% of people used it during the last year (vs. 60.3% nationally).

Taxes and Fees

Although the district of Ruse has a relatively well developed economy, most local taxes and fees in its municipalities were again lower than the average levels for the country in 2016. The only exception was the rate of the license tax for retailers, whose average rate was higher in the district. The reason is the relatively high rate in the municipality of Ruse: 17 BGN/sq. m, while the average rate of all other municipalities was 4 BGN/sq. m.

In 2016, the municipality of Byala raised the rates of all five monitored taxes and fees while in the other municipalities they remained unchanged.

In 2016, the waste collection fee remained again lowest compared to country average figures. The municipality of Ruse had the lowest rate, 4.20‰, while the average rates both in the district and in the country were almost double.

Administration

The ratings of the district's municipalities for developing and providing electronic government and one-stop shop services were above the national average levels in 2016. The transparency of the local administrations also received a better rating. The municipalities in Ruse district were rated at 62.0% for their transparency by the AIP Foundation (vs. 54.2% for the country as a whole). The Ruse municipality was distinguished as the most "transparent" one (70.0%), while that of Byala was the least "transparent" with 24.0% in 2016.

The relatively low coverage by cadastral maps of the district's territory remains a problematic issue in the district. In 2010, it was 10.2% and has not changed since, while in the country reached 19.8% in 2015.

SOCIAL DEVELOPMENT ●●●●●

Demography ●●●●●

Negative demographic tendencies in the district have been more pronounced during the last decade than they have been in the country as a whole. In 2015, the age dependency ratio (the ratio of the population aged 65+ to that aged 0 to 14) in the district was 181.1% vs. 146.4% in Bulgaria. The main reason was the natural growth rate for that year, which worsened to -8.6‰ in Ruse vs. -6.2‰ in Bulgaria. At the same time, the number of people migrating from the district was close to that of people migrating to it, so the population decreased mostly because of its natural growth and not as a result of the net migration rate.

A relatively large number of the population lives in urban areas – 77.4% (vs. 73.1% for the country), while the population density was above the national average in 2015.

Education ●●●●●

In 2015, the share of children enrolled in 5th–8th grade in the district of Ruse dropped below the national average level: 77.8% in Ruse vs. 78.3% in the country. The share of high school repeaters, though, remained below average, whereas that of dropouts in primary and secondary education was for the first time below the 2014 national level.

The performance at state matriculation exams of the district's school leavers has traditionally been close to the national average figures; in 2016, the share of failing grades was considerably smaller.

The district's decline in college and university students for the third successive year corresponded to the overall tendency in the whole country. Yet, in 2015, the number of students relative to the population remained close to the average – 37 per 1,000 people (vs. 36 per 1,000 people in Bulgaria).

Healthcare ●●●●●

In 2015, the district of Ruse remained one of those with the highest deficiency of general practitioners. One GP was responsible for 2,119 people in the district (vs. 1,619 people per GP nationally). The relative number of specialist doctors was also lower than that in other districts.

Though the number of beds in general hospitals in the district increased (4.2 beds per 1,000 people in 2015), it remained below the national average of 4.6 beds per 1,000 people. That trend concerns the increased number of hospitalizations, too. Probably, as the number of beds increased, a greater number of people preferred to receive

treatment in the district rather than looking for medical services outside it.

Security and Justice ●●●●●

The workload of courts in the district remains lower than the national average level, perhaps because of the traditionally lower crime rates. The result is a higher rate of cases closed within 3 months: 97.0% in Ruse vs. 88.1% in Bulgaria, and a lower rate of pending criminal cases: 6.3% in the district vs. 9.4% in the country.

Following national trends, crimes registered in the district dropped – in 2015, there were 10.1 crimes against the person and property per 1,000 people in Ruse district vs. 13.6 per 1,000 people in Bulgaria. Still, the clearance crime rate in the district was lower than that in the country: 36.1% vs. 39.2% for the country in 2015.

Environment ●●●●●

Though most of the population lives in urban areas, the share of people with access to public sewerage (68.0%) remained lower than that in Bulgaria (74.9%) in 2014. At the same time, the wastewater treatment plants built in the last few years (primarily in 2011) increased the number of people connected to WWTPs, reaching 64.5% (vs. 56.8% nationally).

The level of carbon dioxide emissions into the atmosphere (208.3 t/sq. km) remained below the national average of 314.5 t/sq. km in 2014.

In 2014, generated household waste grew to reach 637 kg per capita (vs. 442 kg per capita nationally). The project for closing and rehabilitation of the existing municipal landfill site in the municipality of Ruse also began in 2014.

Culture ●●●●●

In 2015, the district of Ruse once again performed better than average in almost all indicators in this category. Visits to cinemas rose to reach 816 per 1,000 people while they were 744 per 1,000 people in Bulgaria. Visits to theaters grew for the third successive year to reach 645 per 1,000 people, which is more than twice the national figure of 302 per 1,000 people. Visits to libraries also grew in the district; this indicator was again above the national average.

Only museum visits (432 per 1,000 people) remained below the national average number (664 per 1,000 people) in spite of their annual increase in 2015.

Key Indicators for the District of Ruse

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	6,872	8,125	8,595	8,903	9,675	n.a.
Average annual income per household member (BGN)	3,655	4,071	4,416	4,504	4,553	5,303
Average annual gross salary (BGN)	6,354	6,783	7,155	7,589	8,028	n.a.
Relative share of people living below the national poverty line (%)	13.1	17.0	14.6	16.3	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	66.9	65.6	66.4	66.0	63.5	65.9
Annual average employment rate of the population aged 15 to 64 (%)	62.6	58.0	57.8	57.7	56.6	60.0
Annual average unemployment rate of the population aged 15 to 64 (%)	6.8	11.6	12.9	12.5	10.8	9.0
Relative share of the population aged 25 to 64 with tertiary education (%)	20.4	22.0	22.1	23.6	23.6	24.4
Number of non-financial enterprises per 1,000 people	47	47	47	47	48	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	1,403	1,647	1,813	1,907	2,039	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	1,465	1,428	1,493	1,630	1,702	n.a.
Relative share of households with internet access (%)	34.8	43.2	51.4	57.6	64.6	60.9
Share of roads in good condition (%)	30.6	23.9	26.0	29.0	30.2	26.0
Share of territory included in cadastral maps (%)	10.2	10.2	10.2	10.2	10.2	10.2

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-6.5	-8.1	-8.1	-8.0	-8.5	-8.6
Net migration rate (‰)	-3.5	0.8	-1.4	0.2	-0.7	-0.2
Average grades at state matriculation exams	4.3	4.4	4.1	4.3	4.2	4.2
Percent of failed students at state matriculation exams ("average" 3.00)	3.6	3.7	6.0	4.6	5.6	5.2
Net enrolment rate of the population in 5th–8th grade (%)	78.6	81.7	80.1	80.2	78.7	77.8
Health insured persons as share of the population (%)	86.0	89.4	88.2	86.6	87.1	88.3
Cases of hospitalization in general hospitals per 1,000 people	139	152	164	185	163	215
Registered crimes against the person and property per 1,000 people	12.9	11.9	12.3	13.5	12.0	10.1
Clearance rates for crimes against the person and property registered during the year (%)	46.1	33.7	29.9	27.0	30.8	36.1
Share of pending criminal cases (%)	3.2	4.4	3.9	3.1	11.7	6.3
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	0.0	63.7	63.9	64.2	64.5	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	304.4	304.4	225.1	208.3	208.3	n.a.
Number of visits to cinemas per 1,000 people	139	1097	753	760	769	816
Number of visits to theatres per 1,000 people	389	474	444	515	569	645

Shumen District

► Population (2015)	176,323
► Area (sq. km)	3,389.7
► Number of settlements	152
► Share of urban population (%)	61.9

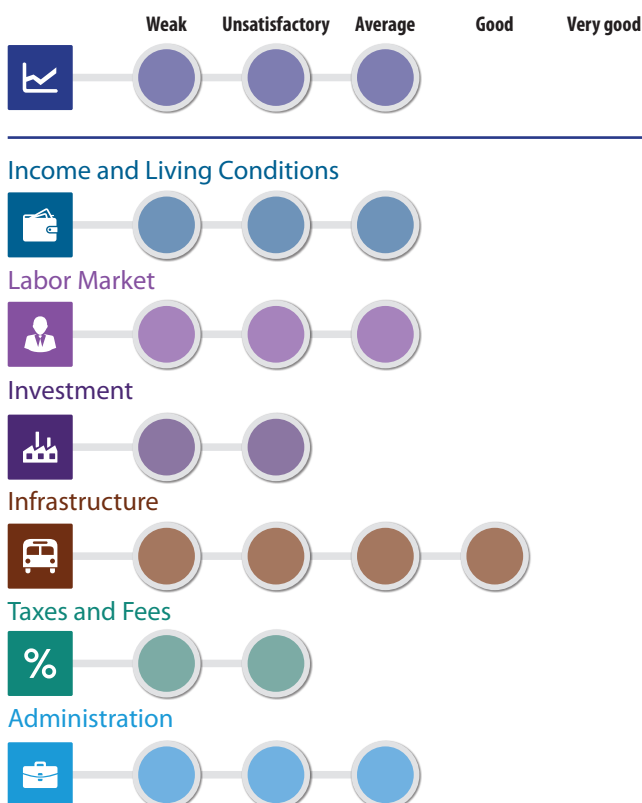


Overview

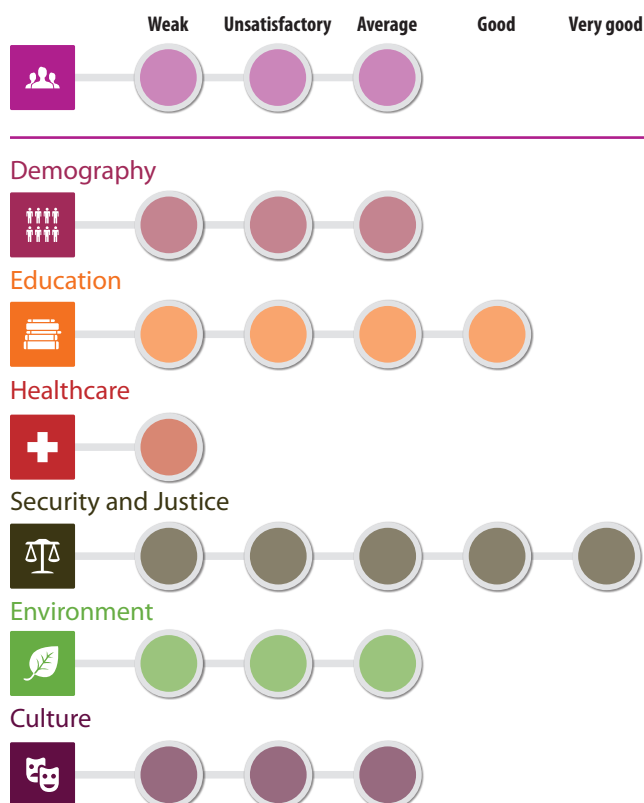
After a drop in Shumen's GDP in 2009, the latter started growing again, but in 2014 GDP per capita in the district remained considerably below the national average level. That was related to a considerable extent to the lag in foreign and domestic investment in the district, despite the relatively good utilization of EU funds. Shumen also remained among the districts with the highest unemployment rates, relatively high economic activity, low employment rates, and unfavorable educational structure of the workforce. Shumen is the district with the highest share of motorways and first class roads.

Though the population is ageing in the country as a whole, the demographic picture in Shumen district remains relatively better. Low results at the matriculation exams in Bulgarian language and literature remain a problem in education, and the shortage of doctors remains a problem in healthcare. On the other hand, Shumen has positive ratings for security and justice due to the relatively small number of registered crimes, their high clearance rate, and the speedy closure of criminal cases. Shumen is among the districts with the highest number of visits to museums and libraries relative to the population.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT

Income and Living Conditions

Similar to processes in the entire country, the district of Shumen has also suffered from the crisis. After its GDP per capita dropped in 2009, it grew at a stable rate but in 2014, it remained considerably below the national average level: 7,376 BGN per capita vs. 11,574 BGN per capita nationally. Incomes and salaries in the district have continued to lag behind national average levels despite being raised every year.

The share of incomes from salaries (52%) has been relatively lower than the national average of 57% due to incomes additional to the salary, for example, those coming from contract payments (9% in the district vs. 3% nationally). The share of incomes from social security and child support is higher in the district mainly because of the high unemployment, the relatively low incomes, and the high share of poor people.

Labor Market

The district of Shumen has remained among those with the highest unemployment levels. In 2015, the unemployment rate was 19.7% (vs. 9.1% nationally) and the only district with a higher rate was Silistra. A possible explanation can be found in the population's educational structure. A relatively small part of the active population had higher education, while a great part had primary and lower education. Employment levels (58.5%) have stayed below national average levels of 62.9%.

In 2015, the ratio of demographic replacement in the district (69.7%) continued to be higher than the national average of 63.5%, which implies that about 70 young people are to replace 100 people leaving the labor market.

Investment

Domestic and foreign investment in the district was still seriously lagging behind the national average levels. Towards the end of 2014 cumulative foreign investment in the district was below 600 euro per capita (vs. 3,000 euro per capita nationally). The number of enterprises also stayed small: 38 non-financial enterprises per 1,000 people in the district vs. 53 per 1,000 people in the country.

For the last couple of years, however, local administrations in the district have achieved results considerably above average levels in EU fund utilization. As of 31 May 2016, payments to municipalities as beneficiaries of operational programs were 788.8 BGN per capita (vs. 688.8 BGN nationally). In Shumen district, most funds relative to the population have been utilized by the municipalities of Novi Pazar and Veliki Preslav, while Kaolinovo, Varbitsa, and Hitrovo have utilized least funds.

Infrastructure

The density of the road and railway networks in the district is above average. Shumen is also the district with the highest share of motorways and first class roads from the national road network: 36% (vs. 18% nationally). In 2015 and early in 2016, a considerable portion of the "Hemus" motorway was repaired as part of the territory of the district. Road surface quality was also above national average levels: in 2015, 42.5% of roads were in good condition (vs. 40.7% nationally).

Internet access and usage are also above national average levels.

Taxes and Fees

On the whole, the average rates of local taxes and fees in Shumen district were not significantly different from national levels in 2016. The biggest variance was in the license tax for retailers, the district average level of which was lower by about 1/3 than the national average rate. Even in the municipality of Shumen, which had the highest tax rate in the district (12 BGN/sq. m) the license tax for retailers was below the average of 13 BGN/sq. m for the country. The same tax had its lowest rate in the municipalities of Nikola Kozlevo and Varbitsa.

Between 2015 and 2016 the municipality of Varbitsa raised the rates of four of the five monitored local taxes and fees, whereas the municipalities of Veliki Preslav and Novi Pazar raised only one. There was no reduction of taxes and fees in the district, though in the country almost 1/5 of the changes concerning taxation were in the form of reduction.

Administration

While in 2014 about half the territory of the Shumen municipality was covered by cadastral maps, in 2015, the cadastral map had already covered it entirely. Part of the Kaspichan municipality was also covered. This raised the district's cadastral map coverage by more than 10 pp to reach 30% of the territory, while the national average was below 20%.

Ratings for the development of electronic government and one-stop shop services went up in 2016. Nevertheless, municipalities in the district were lagging in offering one-stop shop services. In 2016 the local administration was once again rated as one of the least transparent with 39.0% (vs. 54.2% in the country). The most "transparent" municipalities were those of Kaolinovo and Smyadovo with 48.0% each, but even they failed to reach the national average figure. On the other hand, the rating of the municipalities of Venets and Novi Pazar was below 30%.

SOCIAL DEVELOPMENT ●●●●

Demography ●●●●

The district's demographic picture has stayed relatively good compared to the overall picture in the country. In 2015, the age dependence ratio (presented as the ratio of the population over 65 to that under 14) was 139.9% (vs. 146.4% nationally). The population ageing processes are going faster than the national average rate after 2009, which points to future deterioration of the district's demographic profile.

The natural growth rate was below the national average in the last two years. In 2012 and 2013, the district was among the few districts with a positive net migration rate but in the last two years it was already negative, reaching -0.3‰ in 2015 vs. -0.1‰ in 2014.

A relatively large part of the population lives in villages, and the population density is below the national average.

Education ●●●●●

The traditional net enrolment rate of the population in 5th–8th grade in the district has been higher than the national average, though in recent years there has been some decline. The shares of repeaters and dropouts from primary and secondary education have been relatively low; they shrank in the last year of monitoring (respectively, 2014 and 2015). School leavers in the district performed below average at the matriculation exam in Bulgarian language and literature.

Shumen University played a significant role in the district's good performance for the number of university graduates relative to the population. On the other hand, the share of university graduates among the population aged 25 to 64 was below average, which shows that probably part of the young people choose not to stay in the district after graduating.

Healthcare ●

Though the number of general practitioners relative to the district's population is high, there is still a shortage of specialist doctors in the district of Shumen. In 2015, one medical specialist took care of 770 people in the district (743 in 2014) in contrast to the national average of 544. On the other hand, the district was one of the three districts with the smallest number of beds in general hospitals relative to the population (after Pernik and Dobrich), which shows unsatisfactory material conditions for medical care as well.

The combination of insufficient specialists and limited hospital beds could explain the relatively small number of hospitalizations: 148 per 1,000 people (vs. 232 per 1,000 people nationally) in 2015. The most likely reason was that people went outside the district looking for healthcare.

Security and Justice ●●●●●●

Shumen was among the districts with low crime rates and high clearance crime rates relative to the population. In 2015, 9.4 crimes against the person and property per 1,000 people were registered in the district (vs. 13.6 per 1,000 people nationally). The share of solved crimes rose that year to reach 55.1% (vs. 39.2% nationally).

As a result of the low crime rate, the workloads of the judges in the district court were relatively low, while the speed of justice administration was better than the national average. The share of criminal cases solved within three months reached 96.0% (vs. 88.1% in the country) and that of pending criminal cases dropped to 6.8% (vs. 9.4% nationally).

Environment ●●●●

The level of carbon dioxide emissions into the atmosphere in the district of Shumen remained several times lower than the national average. In 2014, the emissions in the district were 29.1 t/sq. km vs. 341.5 t/sq. km in the country.

Despite the relatively clean air, environment protection in the district suffers from the low connectivity to sewerage and WWTPs. In 2014, 59.3% of the population of the district of Shumen lived in areas with public sewerage systems (vs. 74.9% nationally), while 44.7% had access to sewerage systems connected to WWTPs (vs. 56.8% nationally).

Culture ●●●●

After several years without a cinema in the district, a cinema house opened in Shumen in 2014. Thus almost 140 visits per 1,000 people were registered in the district for the last two years. That value, however, remained far below the average cinema visits in the country – 744 per 1,000 people in 2015. Visits to the theater were also fewer in the district than the average figure for Bulgaria – 227 per 1,000 people in the district vs. 302 per 1,000 people in the country.

In 2015, a considerable increase in museum visits was registered in the district of Shumen: 28% compared to 2014. Shumen was thus one of the districts with the largest number of museum visits relative to the population: 1,018 visits per 1,000 people (vs. 664 in the country). The Regional Historical Museum in Shumen registered a great number of tourists, who were also attracted by the newly found well in Pliska, which was proclaimed sacred. In 2015, Shumen was also among the participants in the "European Museum Night" initiative. Visits to libraries also marked an impressive figure: 891 per 1,000 people (vs. 583 nationally) in 2015.

Key Indicators for the District of Shumen

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	5,832	6,624	7,006	7,243	7,376	n.a.
Average annual income per household member (BGN)	3,208	3,427	3,944	4,333	4,387	4,772
Average annual gross salary (BGN)	6,214	6,499	7,068	7,405	7,968	n.a.
Relative share of people living below the national poverty line (%)	27.8	27.5	30.1	25.0	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	72.2	73.9	75.0	74.7	74.7	73.0
Annual average employment rate of the population aged 15 to 64 (%)	51.3	53.9	54.9	55.1	58.7	58.5
Annual average unemployment rate of the population aged 15 to 64 (%)	28.8	26.8	26.6	26.0	21.1	19.7
Relative share of the population aged 25 to 64 with tertiary education (%)	18.8	20.4	20.7	21.3	24.2	24.0
Number of non-financial enterprises per 1,000 people	38	36	37	37	38	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	786	1,069	1,429	1,333	1,499	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	459	506	590	612	595	n.a.
Relative share of households with internet access (%)	25.2	33.7	44.7	49.8	48.2	65.6
Share of roads in good condition (%)	30.1	18.9	19.0	36.3	35.1	42.5
Share of territory included in cadastral maps (%)	19.8	19.8	19.8	19.8	19.8	30.0

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-4.6	-4.8	-5.7	-4.6	-6.3	-6.5
Net migration rate (‰)	-5.2	-1.0	0.4	0.4	-0.1	-0.3
Average grades at state matriculation exams	4.0	4.3	4.0	4.0	4.1	4.0
Percent of failed students at state matriculation exams ("average" 3.00)	9.7	7.6	8.9	8.1	8.9	6.7
Net enrolment rate of the population in 5th–8th grade (%)	82.0	85.7	84.4	82.4	81.3	80.0
Health insured persons as share of the population (%)	84.7	89.6	88.4	87.5	88.1	89.6
Cases of hospitalization in general hospitals per 1,000 people	117	124	133	148	152	148
Registered crimes against the person and property per 1,000 people	11.4	11.8	10.7	10.3	9.0	9.4
Clearance rates for crimes against the person and property registered during the year (%)	55.1	54.0	54.7	54.5	51.4	55.1
Share of pending criminal cases (%)	4.2	4.7	5.4	6.5	10.3	6.8
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	44.8	44.8	44.8	44.8	44.7	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	23.7	29.5	26.1	29.2	29.1	n.a.
Number of visits to cinemas per 1,000 people	13	12	0	0	135	137
Number of visits to theatres per 1,000 people	93	149	176	166	245	227

Silistra District

► Population (2015)	113,959
► Area (sq. km)	2,846.3
► Number of settlements	118
► Share of urban population (%)	44.4

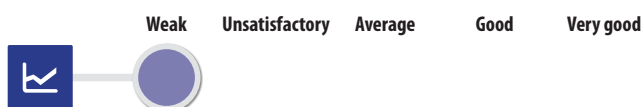


Overview

During the last two years GDP growth in the district of Silistra has been above national average levels, although, in 2014, again, GDP value in the district remained almost twice lower than the national average. The relatively poor economic development of the district is related to its limited business activities and low domestic and foreign investment. Household incomes and salary levels in the district have also been among the lowest in the country: in 2015, Silistra remained the single district where employment was below 50% and unemployment was over 20%. In 2016, local taxes and fees in the municipalities of Silistra remained below national average.

Silistra is one of the districts with the lowest share of urban population. The negative natural growth rate has been exacerbating in the last two years and the negative demographic processes can be expected to go deeper. Education and healthcare in the district suffer from significant weaknesses. In 2016, the district's school leavers got the lowest grades in the country at the state matriculation exams in Bulgarian language and literature. The shortage of doctors in the district has become chronic. Silistra is one of the districts with the smallest number of registered crimes and the highest clearance crime rate.

ECONOMIC DEVELOPMENT



Income and Living Conditions



Labor Market



Investment



Infrastructure



Taxes and Fees



Administration



SOCIAL DEVELOPMENT



Demography



Education



Healthcare



Security and Justice



Environment



Culture



ECONOMIC DEVELOPMENT ●

Income and Living Conditions ●●

Before 2008 the district of Silistra was among those with the poorest economic development but as the crisis set in, its economic condition worsened even more, and it remained the district with the smallest GDP per capita until 2012. During the last two years, GDP per capita has been growing at rates faster than the average for the country but in 2014 it was still almost half the national average value: 5,826 BGN per capita in Silistra when the national average was 11,574 BGN per capita. Household incomes and salaries are also among the lowest in Bulgaria. The breakdown of households' gross incomes shows that while 57% of incomes in Bulgaria come from salaries, in Silistra this share is 45% – a consequence of low employment rates and relatively small salaries in the district. Pensions, however, make up 37% of incomes (vs. 27% nationally). In 2014, the average annual gross salary was 7,215 BGN while it was 9,860 BGN in Bulgaria.

Labor Market ●

The district's results in the category assessing the labor market ranked the district last of the 28 districts in the country. In 2015, it remained the only district with an employment rate below 50% and an unemployment rate over 20%. The employment rate was 49.2% in Silistra vs. 62.7% in the country; unemployment was 21.8% (vs. 9.1% in the country).

There was a considerable improvement in the population's economic activity after 2010. Until 2014 it grew from 57.2 to 64.7%, one of the highest growth rates (having in mind the low start level) in the country for that period, but in 2015 it went slightly down to 63.1%.

The relatively low education of the local population has also been a standing problem, which makes finding a job difficult. Among people aged 25 to 64 in the district, 16.4% have higher education (vs. 27.5% in the country) and 33.3% have primary or lower education (vs. 18.1% nationally).

Investment ●

The relatively poor economic development of the district is related to its limited business activity and the low levels of domestic and foreign investment. The cumulative FDI in the district is 10 times less than the national average: 277.9 euro per capita at the end of 2014 vs. the national average of 3,006.6 euro per capita.

Nevertheless, municipalities in the district have utilized more EU funds as beneficiaries of operational programs compared to national average levels. As of 31 May 2016, payments to municipalities in Silistra amounted to a total of 87 m BGN or 766.3 BGN per capita compared to 688.8 BGN

per capita in the country. Municipalities with most utilized funds included Silistra and Glavinitsa, while those that utilized least were Alfatar and Dulovo.

Infrastructure ●●●

The density of the road network in the district is similar to the average density in the country. Road surface quality continues to be relatively good: in 2015, 46.8% of the roads were in good condition (vs. 40.7% in the country). The railway network density and the share of first class roads and motorways are considerably below average levels but this is understandable in view of the peripheral location of Silistra in the country.

In the last two years, there has been a visible increase in the share of people using the internet.

Taxes and Fees ●●●●

In 2016, the rates of major local taxes and fees in the municipalities of the district of Silistra continued to be below country average levels. The most significant variance between the local municipalities and the average level for Bulgaria was in the annual license tax for retailers. Its average rate in the district was 7.95 BGN/sq. m, while the national average rate was 12.74 BGN/sq. m.

The rate of the vehicle tax went down compared to 2015 – after the Glavinitsa municipality reduced it by over 15% – from 1.65 BGN to 1.40 BGN/kW (for vehicles from 74 to 110 kW). The only annual tax to be raised in 2016 was that on immovable property of legal entities in the municipality of Tutrakan.

Administration ●●

The rating of the district's municipalities for development of electronic government was raised in 2016; it even surpassed the national average. The offering of one-stop shop services, however, was rated much lower in the district.

The administration's transparency in the district also remained below average levels in 2016: 41.8% vs. the national average level of 54.2%. The highest transparency rate was given to the municipality of Alfatar (73.5%), and the lowest was given to the municipality of Dulovo (26.8%). In 2015, Alfatar was also the municipality with the highest rate of cadastral map coverage (42.4%) in the district. Still, the district has been lagging behind the rates of cadastral map coverage in the country: 16.2% in Silistra vs. 19.8% in Bulgaria.

SOCIAL DEVELOPMENT ●

Demography ●●

Silistra is one of the districts with the lowest share of urban population (it is lower only in Kardzhali) – 44.4% vs. 73.1% in the country.

Age dependence ratios in the district, though not among the worst in the country yet, have risen twice and thrice faster than the national average rates in the last ten years. In 2015, the rate of natural increase dropped to –9.0‰ (vs. –6.2‰ nationally). After steady decline since 2012, the net migration rate in the district reached –3.5‰, which shows that the process of migrating out of the district has been intensifying.

Education ●●

In 2015, the net enrolment rate of the population in 5th–8th grade in the district was slightly above the national rate. The share of dropouts from primary and secondary education however continued to be higher in 2014, undergoing some deterioration between 2013 and 2014.

The worst performance of the district in the “Education” category was in the grades at matriculation exams. At the exam in Bulgarian language and literature in 2016, students from the district of Silistra received the lowest grades in the country (“good” 3.80) below the national average of “good” 4.17. The share of high school students with poor grades was also substantially higher – 14% vs. the average for the country 9%.

Healthcare ●●

Healthcare in the district has been suffering from a chronic lack of doctors and insufficient hospital capacity. In 2015, there was one general practitioner for 1,965 people (vs. one for 1,619 in Bulgaria); there was one medical specialist for 781 people in Silistra (vs. one for 544 people in the country). In addition, there were 4.0 beds in the general hospitals per 1,000 people (vs. 4.6 per 1,000 people in the country).

Hospitalization data shows that the number of hospitalizations in the district of Silistra (209 per 1,000 people) is below the national average level of 232 per 1,000 people. The reason behind this variance is probably not the low morbidity rate in the district, but rather the fact that people seek medical services and specialists outside the district. The district registered some of the highest infant mortality rates in the last two years.

Security and Justice ●●●●●●

The relatively low workloads of criminal judges in the district (6.8 cases a month per judge vs. the national average workload of 8.3 cases) explain the relatively low share of pending cases (5.4 cases in Silistra vs. 9.4 in the country in 2015). At the same time, the share of cases that were closed within 3 months was not higher in the district than it was in the country.

Silistra is one of the districts with the lowest number of registered crimes against the person and property. In 2015, 9.6 crimes were registered per 1,000 people (vs. 13.6 per 1,000 people in the country). Though there was an increase in the number of registered crimes compared to 2014, their rate has not exceeded 10 per 1,000 people since 2004. Silistra is also one of the districts with the highest clearance crime rate. In 2015, 62% of the crimes registered in that year were solved (vs. 39% on average in Bulgaria).

Environment ●

In 2014, 51.5% of the population in the district of Silistra had access to public sewerage systems (vs. 74.9 in the country), while only 6.2% of the population had access to sewerage systems connected to WWTPs (vs. 56.8% in the country). The regional wastewater treatment plant started operating early in 2016, so some improvement can be expected for this indicator.

Air pollution in the district is almost 20 times lower than the national average level, which can be explained by the low share of industry in the local economy and the low population density. In 2014, the level of carbon dioxide emissions into the atmosphere was below 15 t/sq. km, while the average level in the country was 315 t/sq. km.

Culture ●

When a cinema opened in the district in 2014, visits reached 115 per 1,000 people. That rate continues to be below the national average of 744 visits per 1,000 people.

The district of Silistra performed poorly in the other indicators of this category. In 2015, visits to theater performances in it amounted to 188 per 1,000 people vs. the national average of 302 per 1,000 people; there were 194 visits to museums per 1,000 people (vs. 664 nationally) and 447 visits per 1,000 people to libraries (vs. 583 nationally).

Key Indicators for the District of Silistra

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	4,785	5,553	5,338	5,582	5,826	n.a.
Average annual income per household member (BGN)	2,629	2,589	3,337	3,249	3,289	3,521
Average annual gross salary (BGN)	5,771	6,059	6,390	6,880	7,215	n.a.
Relative share of people living below the national poverty line (%)	38.9	18.7	17.8	20.2	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	57.2	57.3	60.7	61.4	64.7	63.1
Annual average employment rate of the population aged 15 to 64 (%)	50.7	50.1	50.9	48.2	50.0	49.2
Annual average unemployment rate of the population aged 15 to 64 (%)	11.4	12.5	16.0	21.3	22.4	21.8
Relative share of the population aged 25 to 64 with tertiary education (%)	13.1	15.4	15.8	15.1	14.4	16.4
Number of non-financial enterprises per 1,000 people	32	32	33	33	33	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	737	1,259	1,442	1,511	1,436	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	117	65	111	290	278	n.a.
Relative share of households with internet access (%)	20.8	40.0	56.5	37.6	60.2	56.4
Share of roads in good condition (%)	24.8	40.0	39.0	44.8	46.7	46.8
Share of territory included in cadastral maps (%)	14.2	14.2	14.2	14.2	14.2	16.2

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-6.8	-7.7	-8.1	-6.8	-8.4	-9.0
Net migration rate (‰)	-7.7	-2.0	-2.4	-3.2	-3.4	-3.5
Average grades at state matriculation exams	4.1	4.3	4.1	4.1	4.2	3.9
Percent of failed students at state matriculation exams ("average" 3.00)	6.7	4.5	5.1	4.0	3.5	9.0
Net enrolment rate of the population in 5th–8th grade (%)	74.7	81.6	81.5	80.1	78.7	78.7
Health insured persons as share of the population (%)	82.7	86.8	85.6	84.9	86.0	87.6
Cases of hospitalization in general hospitals per 1,000 people	146	165	182	202	205	209
Registered crimes against the person and property per 1,000 people	10.0	9.3	8.7	8.3	8.0	9.6
Clearance rates for crimes against the person and property registered during the year (%)	64.9	62.1	60.3	62.4	62.1	62.0
Share of pending criminal cases (%)	6.3	7.7	7.8	6.4	12.4	5.4
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	0.0	0.6	0.6	0.6	6.2	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	15.4	23.9	17.5	13.1	14.7	n.a.
Number of visits to cinemas per 1,000 people	18	10	0	0	69	115
Number of visits to theatres per 1,000 people	167	131	145	192	188	188

Sliven District

► Population (2015)	191,915
► Area (sq. km)	3,544.1
► Number of settlements	120
► Share of urban population (%)	65.7

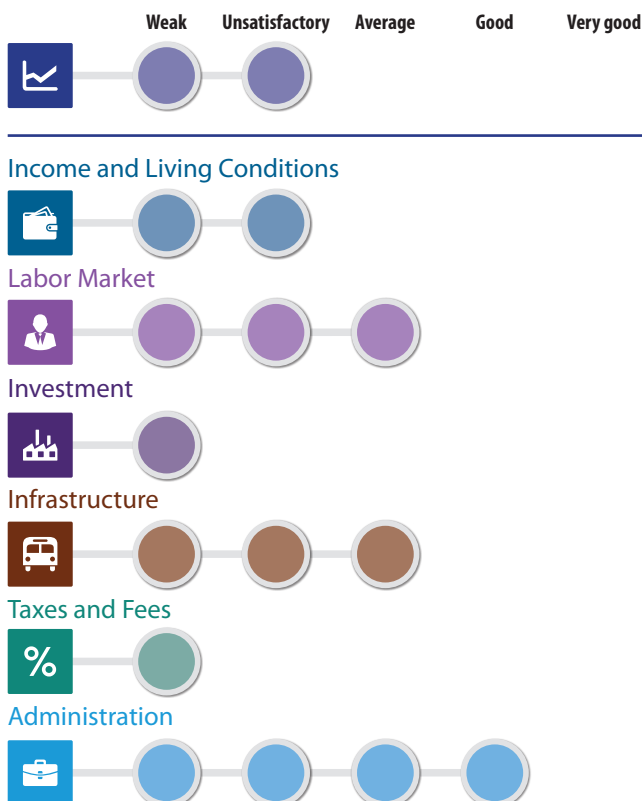


Overview

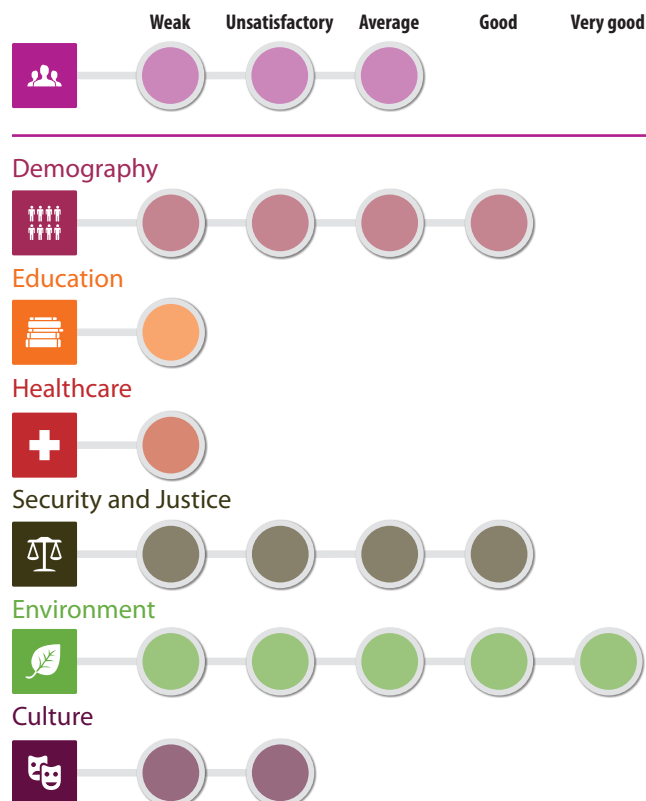
Sliven has remained one of the least developed districts in the country but the state of the labor market has been improving and poverty rates have been on the decline. Salaries and incomes have been going up, though staying below national average levels. The district is still unattractive for foreign investment and its municipalities are characterized by very low rates of EU fund utilization. Administrations in the district work relatively well, but some of the key local taxes rose to record highs in 2016. The state of road surfaces remains the best in the country but internet usage is not widespread.

The demographic picture looks good compared to the rest of the country. However, education is not doing well: the relative share of dropouts from primary and secondary education has increased to levels exceptional for the country, while performance at matriculation exams has been declining steadily. The infant mortality rate is high and the ratio of doctors to the population is one of the lowest. The administration of justice is improving – the clearance crime rate is growing and crime frequency is declining. The environment is in good condition but cultural life is poorly developed.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ●●

Income and Living Conditions ●●

Though the district of Sliven is characterized by relatively low incomes and widespread poverty, in the last two years there has been some serious improvement in indicators on living conditions and social inclusion.

The share of the people below the national poverty line dropped to 32.7% in 2013 but stayed both above the 2008–2010 level and above the national average level of 21.8%. The share of population living in material deprivation went down rapidly: from over 50% in 2011 it reached 33% in 2013, thus leveling with the national average share. Sliven has remained among the districts with the lowest GDP per capita. In 2014, the latter registered a slight increase to 5,936 BGN, thus reaching the 2012 level. In 2015, the average income per household member was lower by 14% than the average income for the country. The gross average annual salary grew to reach 7,265 BGN in 2014 but the growth rate stayed slower than the national average in the last five years.

Labor Market ●●●

The state of the labor market also improved in 2015. Unemployment and employment reached their best levels so far (10.9 and 55.9% respectively), but are still lagging behind the national average levels. The ratio of demographic replacement has reached its highest value since 2011.

The population's educational structure remains a challenge before the further improvement of the state of the labor market. The relative share of the population aged 25 to 64 with primary and lower education dropped to 28.8% in 2015, but remained far above the national average level of 18.1%. The share of the population with higher education dropped for the first time in the last seven years, while the national level continued going up. The economic activity rate in the district was 62.9% in 2015: the highest level registered in the last three years, but also the fourth lowest in Bulgaria.

Investment ●

Sliven is the district with the worst rating in the “investment” category. FTA acquisition expenditure per capita rose slightly in 2014 to reach 1,152 BGN but stayed about 2.5 times lower than the average for the country.

The district is also characterized by very slow rate of EU fund utilization, holding the last but one place in the country. Contract payments to municipal beneficiaries from operational programs amounted to 378 BGN per capita as of 31 May 2016. The outflow of foreign investment continued in 2014, when the cumulative FDI

dropped to 483 euro per capita, which is over 6 times lower than the national average.

Infrastructure ●●●

Road condition in the district is still the best in Bulgaria but in 2015 the share of road surfaces in good condition reached its lowest level for the last six years: 72.4%. The density of the road and railway network remained close to the average levels for the country. The share of motorways and first class roads was over 1/5 of all roads in the country in 2014. Internet access and usage retained their low levels. The relative share of households with internet access was 44.6% in 2015, which is lower by 15 pp than the share in the country. The same year the share of people who had used the internet in the last 12 months dropped to its lowest level since 2010 – 42.7%.

Taxes and Fees ●

Local taxes in Sliven district rose considerably in 2016 to become some of the highest in the country. The immovable property tax for legal entities rose from 1.86 to 2.92‰ in 2016, its highest level for the last four years, which is higher by almost 1‰ than the national average rate. The reason for this sudden increase was the fact that the rate of the tax was raised in three of the four municipalities of the district. The rate grew fastest in the Sliven municipality: from 1.9 to 3.2‰. The same year the vehicle and automobile tax reached its highest registered level of 1.47 BGN/kW.

In 2016, the average waste collection fee of the municipalities in the district also rose to reach 3.27‰. The rate of the property transfer tax was raised for the first time in the last five years and reached 2.79‰ when the average rate was 2.47‰.

Administration ●●●●

The administration in the district kept its relatively good condition in 2016. Cadastral map coverage was 23%, staying unchanged since 2010. The self-rating of local administrations for the development of electronic government and the offering of one-stop shop services were close to the national average.

The active transparency rating of local government bodies by the AIP Foundation remained relatively high in 2016: 65.2% vs. the national average level of 54.2%. Despite the relatively high percentage, this is the lowest rating of the district in the last three years.

SOCIAL DEVELOPMENT ●●●●

Demography ●●●●

Sliven continues to be one of the districts with a relatively good demographic picture, which is due mainly to the high birth rate in the district. The ratio of the population over 65 to that of children (aged 0 to 14) remained the most favorable in the country: 103.5% in 2015. That means that for every person over 65 there is one child, having in mind the fact that the country average ratio is 1.5 people over 65 for each person aged 0 to 14. The population over 65 is slightly under 1/3 of the population aged 15 to 64, a ratio similar to the national average. Nevertheless, the long-term tendency for both age dependence ratios is one of steady rise. The natural growth rate dropped to -2.7‰ in 2015, its lowest level in the last 15 years, but has remained still higher than the national average level of -6.2‰. The district's population keeps decreasing due to the net migration rate, which was -4.9‰ in 2015.

Population density registered a slight drop for a successive year to reach 2,739 people/sq. km, but has remained the second highest in the country.

Education ●

Sliven is the district with the worst state of education in the whole country. In 2014, the relative share of dropouts from primary and secondary education rose to 4.8% and reached its highest level since 2010 when the national average level was 2.8%.

The share of failing grades at the matriculation exam in Bulgarian language and literature rose to 6.9% in 2016, whereas the average grade in this subject dropped to "good" 4.15, which, though close to the national average grade, was the lowest since 2013. The long-term tendency in the last nine years for both indicators has been one of deterioration. In 2015, the number of teachers per 1,000 students also reached an all-time low of 64 teachers per 1,000 students, and remained the lowest in the country. The population's net enrolment rate in 5th–8th grade rose in 2015 but failed to reach the national average level.

Healthcare ●

The state of healthcare in Sliven has been assessed as the worst in the country. In 2015, the number of people one general practitioner took care of reached its highest level since 2001: 1,777 people (vs. the national average of 1,619 people). The shortage of medical specialists is even more acute. The number of people per specialist doctor also rose to reach the second highest level in the country.

In 2015, the infant mortality rate dropped to 12.8‰ but has stayed still almost twice higher than the indicator for the

country. The share of health-insured people rose in 2015 but is still relatively low.

Security and Justice ●●●●

In 2015, the speed of justice administration improved and the share of criminal cases in the district court which closed within 3 months reached 94%, the highest level in the last seven years. Parallel to that, the share of pending criminal cases dropped to 5.2%, the lowest level both in the district and in the country. The workloads of criminal judges, however, grew to reach 8.6 cases per month in 2015, overtaking the national average of 8.3 cases.

Crime rates also dropped, which was probably yet another reason for the decreasing workloads of judges. The number of registered crimes against the person and property per 1,000 people was 11.6 in 2015, the lowest level since 2007. The clearance crime rate also improved to reach its highest level since 2009 – considerably above the national average rate.

Environment ●●●●●

After Sofia, Sliven is the district with the best environmental condition. In 2014, the level of carbon dioxide emissions were almost half the national average level of 314.5 t/sq. km. Generated household waste per capita was also relatively low: 329 kg per capita when the national average level was 442 kg per capita.

However, the construction of the public sewerage system in the district has been delayed. The share of the population living in places with public sewerage is 65.2%, whereas the share of the population with access to public sewerage systems connected to a WWTP was 57.6% in 2014. The national average figures were 74.9 and 56.8%, respectively.

Culture ●●

Cultural life is not particularly dynamic in the district of Sliven and has been deteriorating in the last few years. The annual average number of visits to theaters and cinemas dropped in the last two years. Still, in 2015 theater visits remained higher than the country average.

In 2014, the average annual number of visits to museums reached 488 per 1,000 people, but it dropped to 449 in 2015, lagging considerably behind the country average of 664. The number of visits to libraries stayed high, however, and went on rising in 2015, reaching its highest level since 2009: average annual number of 774 per 1,000 people. The national average was 583 per 1,000 people.

Key Indicators for the District of Sliven

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	4,984	5,559	5,938	5,654	5,936	n.a.
Average annual income per household member (BGN)	3,907	3,605	3,226	3,014	4,017	4,236
Average annual gross salary (BGN)	6,000	6,191	6,589	6,999	7,265	n.a.
Relative share of people living below the national poverty line (%)	30.6	40.8	35.4	32.7	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	66.1	64.6	64.5	61.7	60.7	62.9
Annual average employment rate of the population aged 15 to 64 (%)	54.8	53.7	51.8	51.8	52.4	55.9
Annual average unemployment rate of the population aged 15 to 64 (%)	16.7	16.6	19.4	15.9	13.6	10.9
Relative share of the population aged 25 to 64 with tertiary education (%)	18.4	18.7	18.7	20.5	22.5	21.8
Number of non-financial enterprises per 1,000 people	36	35	35	35	35	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	916	1,491	1,636	1,132	1,152	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	2,303	2,561	548	504	483	n.a.
Relative share of households with internet access (%)	27.5	36.5	37.0	41.1	49.8	44.6
Share of roads in good condition (%)	82.5	82.0	82.0	79.3	80.3	72.4
Share of territory included in cadastral maps (%)	23.0	23.0	23.0	23.0	23.0	23.0

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-2.6	-2.0	-2.3	-2.2	-2.5	-2.7
Net migration rate (‰)	-11.8	-2.8	-4.5	-5.1	-4.1	-4.9
Average grades at state matriculation exams	4.3	4.5	4.2	4.2	4.2	4.2
Percent of failed students at state matriculation exams ("average" 3.00)	5.4	4.4	6.5	7.0	9.0	5.9
Net enrolment rate of the population in 5th–8th grade (%)	74.2	75.5	73.6	74.4	75.0	75.2
Health insured persons as share of the population (%)	84.7	86.1	85.0	84.4	85.6	87.4
Cases of hospitalization in general hospitals per 1,000 people	140	148	218	221	154	217
Registered crimes against the person and property per 1,000 people	14.4	14.2	14.4	12.6	12.5	11.6
Clearance rates for crimes against the person and property registered during the year (%)	48.6	42.4	41.6	45.6	47.8	51.8
Share of pending criminal cases (%)	9.6	7.2	7.0	9.3	13.7	5.2
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	57.3	57.7	57.6	57.6	57.6	n.a.
Carbon dioxide emissions into the atmosphere (t/km2)	78.5	78.5	198.0	161.0	161.0	n.a.
Number of visits to cinemas per 1,000 people	0	36	20	152	93	84
Number of visits to theatres per 1,000 people	227	273	310	357	350	314

Smolyan District

► Population (2015)	112,793
► Area (sq. km)	3,192.8
► Number of settlements	242
► Share of urban population (%)	55.5

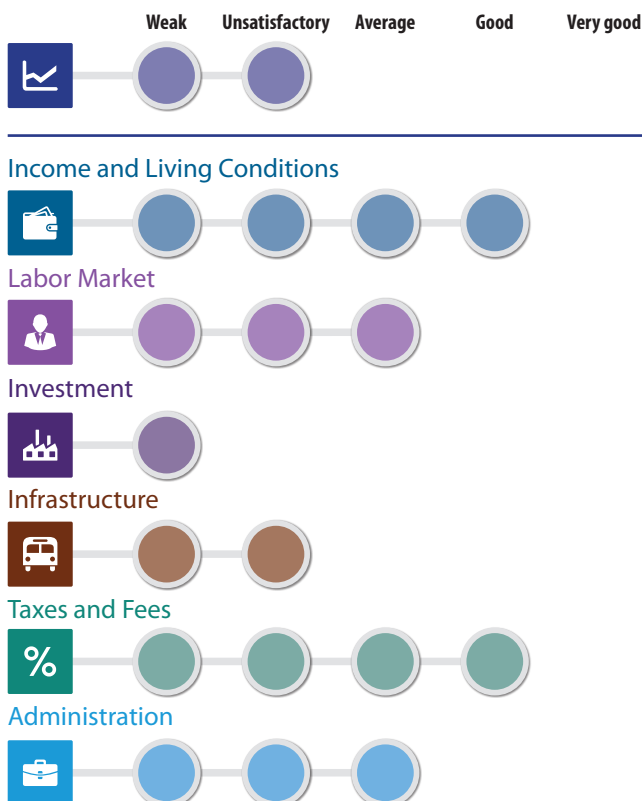


Overview

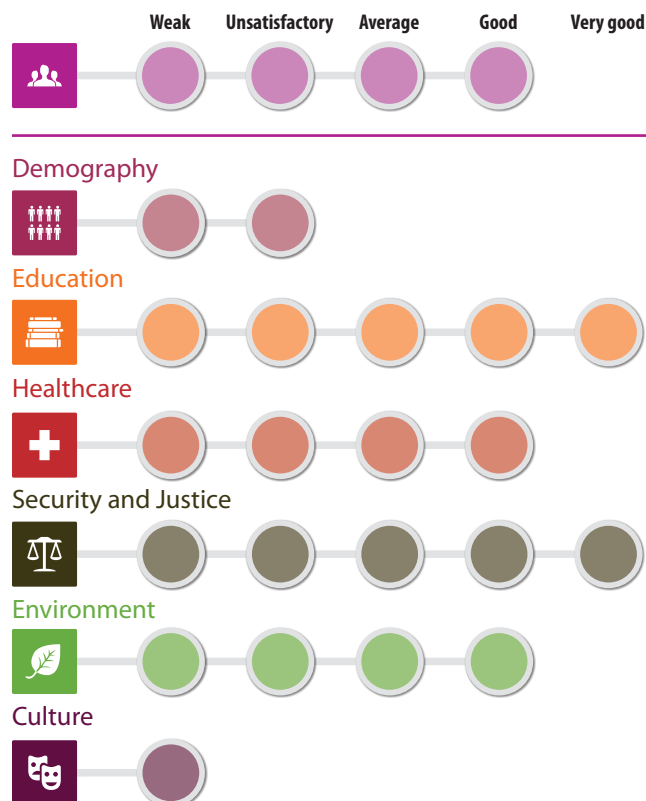
The income level in the district of Smolyan is relatively high due to the high employment rate of the population. In 2015, unemployment dropped for the second successive year, but, due to the high economic activity of the population, it has remained above the national average level. Investment activity has yet to reach its pre-crisis levels, whereas EU fund utilization is lagging behind the levels of most districts. There are no first class roads or motorways in the district but road surface quality is good. Local taxes and fees are relatively low and the development of administrative services is similar to that in the rest of the country. Smolyan has been the district with the least favorable

net migration rate of the population in the last four years. School education has achieved a good coverage and the performance of local students at the state matriculation in Bulgarian language and literature has been among the best in Bulgaria. Despite a certain shortage of doctors, healthcare has maintained a relatively good level. The district is characterized by low crime rates, high clearance crime rates, and relatively speedy justice administration. The environment is well preserved, air pollution with carbon dioxide being among the lowest in the country. Cultural development is lagging behind considerably, though some positive tendencies have been noticeable in recent years.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ●●

Income and Living Conditions ●●●●

In 2014, GDP per capita in the district of Smolyan reached 7,554 BGN (vs. 11,574 for the country as a whole). Though the gross annual average salary was below the country average, incomes per household member reached 5,419 BGN in 2015 while the national average was 4,953 BGN. The main reason was the relatively high employment rate in the district. Though the relative share of people living below the national poverty line was higher than the 21.8% average for the country, the share of people living in material deprivation was relatively low: 20.6% in the region vs. 33.1% nationally.

Labor Market ●●●

Smolyan is the district with the highest economic activity of the population registered in 2015 – 77.2%. In the context of the continuing employment growth, which has already surpassed the national average of 62.9%, it was precisely the high economic activity that caused the high relative share of unemployed people. Thanks to the creation of new jobs in 2015, the unemployment rate dropped for the second successive year. Yet, it remained quite high – 17.2%, the fifth highest in the country.

The negative demographic development has affected the demographic replacement ratio – 46.8%, which was the lowest in Bulgaria in 2015 (vs. the national level of 63.5%). That means that for every 100 persons between 60 and 64 leaving the workforce there were almost 47 persons aged 15 to 19 about to join it. The educational profile of the workforce was also unfavorable in 2015: 21.7% of people aged 25 to 64 had higher education (vs. 27.5% at the national level) and 21.8% had primary or lower education (vs. 18.1% nationally).

Investment ●

Smolyan is one of the districts where investment activity has traditionally been low. Between the end of 2009 and the end of 2010 cumulative FDI in the district dropped from 113.6 to 70.4 m euro. Four years later, it rose by 5 m euro; relative to the population, FDI amounted to 666.5 euro per capita as of the end of 2014. That was 4.5 times below the average levels for the country. Although expenditure for the acquisition of FTA remained far below pre-crisis levels, it marked a clear positive tendency. In 2014, it reached 1,775 BGN per capita relative to the population, while the national average level was 2,786 BGN per capita.

EU fund absorption by the municipalities in Smolyan as beneficiaries of operational programs has also lagged behind the average rates in the country, the sums paid amounting to 54 m BGN as of 31 May 2016. Relative to the population, this amounts to 481 BGN per capita (vs. the national aver-

age of 689 BGN per capita). The only municipality to achieve a utilization rate higher than the average was Smolyan (773 BGN per capita), while the worst result was registered in the municipality of Devin (195 BGN per capita).

Infrastructure ●●

Infrastructural development in the district of Smolyan is strongly dependent on its mostly mountainous terrain. The road network density is close to the national average, but there are neither first class roads or motorways, nor railway transport. In 2015, the quality of road surfaces improved for the third successive year, the share of roads in good condition reaching 54.5%, which was considerably higher than the average rate for Bulgaria of 40.7%.

There was a certain lag in the IT sphere. The share of people aged 16 to 74 who used the internet in the last 12 months rose to 55.8%, still below the national average level of 60.3%. Only 52.3% of households had internet access in the district (vs. 59.1% nationwide).

Taxes and Fees ●●●●

Local taxes in the district of Smolyan remained relatively low compared to national average levels; changes in tax rates were infrequent. Only the waste collection fee for immovable property of legal entities was above the national average level; in 2016 it rose further in the municipalities of Rudozem and Smolyan. The annual tax on immovable property for legal entities and the local tax on the sale of immovable property remained close to, but still below average. The vehicle tax and the annual license tax for retailers were considerably lower than those in most other districts.

Administration ●●●

Cadastral maps covered almost 1/3 of the district's territory in 2015 but this figure had not changed in the four preceding years. Still, cadastral coverage was considerably higher than the national average of 19.8%; the only municipality with no coverage at all was Nedelino. Municipalities in the district declared a readiness for one-stop shop services – slightly lower than the national average. As for electronic government, the development of such services in the district is similar to the general tendencies in the country.

In 2016, the municipalities in Smolyan district were rated 46.9% in the Active Transparency Rating of the AIP Foundation. Only Smolyan (55.4%) and Devin (55.0%) achieved levels above the national average of 54.2%

SOCIAL DEVELOPMENT ●●●●●

Demography ●●

Smolyan is characterized by a 31.7% ratio between people over 65 and people aged 15 to 64, which is close to the national figure. The ratio between senior people and the population under 14 reached 186.7% (vs. the national average level of 146.4%). The rapid growth of the latter age dependence ratio in recent years has been a consequence of the district's low birth rate and the worsening natural growth rate of the population (−8.2‰ in 2015 vs. the national level of −6.2‰).

In addition, in the last four years Smolyan was the district with the most unfavorable net migration rate of the population. The district is characterized by relatively poor urbanization. In 2015, 55.5% of the population lived in urban areas when the national average level was 73.1%.

Education ●●●●●

School education in Smolyan has achieved some of the best results both with regard to inclusion of the eligible for education and to education quality. In 2015, the net enrolment rate in 5th–8th grade reached 83.3% – only the districts of Blagoevgrad, Vratsa, and Razgrad registered higher values for this indicator. The share of repeaters (0.2% in 2015), as well as that of dropouts from primary and secondary education (0.7% in 2014), were the lowest in Bulgaria.

In the last four years, school leavers in the district achieved above-average results at the exam in Bulgarian language and literature. This was true both of the average grade and of the share of failing grades. In 2016, the only district with an average grade higher than that of Smolyan was the capital.

Smolyan district has the highest number of teachers in primary and secondary education relative to the population (91 teachers per 1,000 students vs. 73 on average in the country), which probably contributes to the good performance of students.

Healthcare ●●●●●

In 2015, the percentage of health-insured people reached 94.4%, one of the highest levels in the country and way above the average 88.5%. The ratio of general practitioners to the population (1,659 people/doctor) is near the average for the country (1,619 people/doctor), but there is a shortage of specialist doctors. Though the infant mortality rate rose compared to 2014, reaching 5.4‰ in 2015, it has still remained among the lowest in the country. There are 535 beds in the general hospitals in the district, which made

4.7 beds per 1,000 people (vs. 4.6 beds per 1,000 people on average in Bulgaria).

Security and Justice ●●●●●

Smolyan was among the safest districts in the country in 2015, with 6.1 registered crimes against the person and property per 1,000 people, while the national average rate was 13.6. Apart from its low crime rate, Smolyan is also characterized by a traditionally high clearance crime rate of 56.7% in 2015 vs. 39.2% in the country.

In 2015, the share of criminal cases closed within 3 months by the district court reached 95% vs. 88.1% in the country, and the share of pending criminal cases dropped to 5.2% (vs. 9.4% in the country). Some of the good results may have been due to the judges' low workloads: in 2015, one judge had 6.4 cases per month on average (vs. 8.3 nationally).

Environment ●●●●●

The level of carbon dioxide emissions in Smolyan is the lowest in the country. Relative to the territory they amounted to barely 4.0 t/sq. km in 2014, when the national average level was 314.5 t/sq. km. The generated household waste per capita was lower than the national average figure: 329 kg per capita in the district vs. 442 kg in the country.

In 2014, over 64% of the population lived in areas with public sewerage systems and the connectivity to WWTPs reached almost 40% as result of the opening in 2010 of a new WWTP in Smolyan municipality, built by EU funds. However, the district has been lagging behind the country average levels (69.4 and 56.8%, respectively) in both indicators.

Culture ●

Though Smolyan has been lagging behind most districts in cultural development, there have been some positive tendencies, too. A cinema opened in the district in 2014; interest in it went on growing in 2015. After a period of three years (2011 to 2013), when there were practically no registered theatre visits in the district, in 2014 and 2015 they were 8,000 and 10,800 annually. Relative to the population, visits to both cinemas and theatres were way below average levels in Bulgaria. The same holds true of local museums and libraries which registered 235 and 194 visits per 1,000 people, respectively: both rates being about 3 times below average for the country.

Key Indicators for the District of Smolyan

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	6,875	7,287	7,385	7,142	7,554	n.a.
Average annual income per household member (BGN)	3,890	4,180	4,242	4,590	5,315	5,419
Average annual gross salary (BGN)	6,134	6,122	6,516	6,800	7,253	n.a.
Relative share of people living below the national poverty line (%)	28.9	32.1	36.8	30.8	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	67.8	67.2	70.8	74.2	76.1	77.2
Annual average employment rate of the population aged 15 to 64 (%)	54.8	50.4	55.3	59.3	61.2	63.9
Annual average unemployment rate of the population aged 15 to 64 (%)	19.2	25.0	21.9	20.3	19.4	17.2
Relative share of the population aged 25 to 64 with tertiary education (%)	17.2	16.6	18.2	20.0	21.0	21.7
Number of non-financial enterprises per 1,000 people	47	43	44	44	45	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	860	1,081	1,010	1,202	1,775	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	569	599	631	661	666	n.a.
Relative share of households with internet access (%)	32.3	31.3	45.3	45.2	55.4	52.3
Share of roads in good condition (%)	43.8	42.7	41.0	45.3	49.5	54.5
Share of territory included in cadastral maps (%)	26.5	32.1	32.1	32.1	32.1	32.1

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-4.3	-6.4	-6.7	-6.6	-7.8	-8.2
Net migration rate (‰)	-13.5	-5.4	-7.3	-14.7	-11.6	-12.9
Average grades at state matriculation exams	4.2	4.4	4.2	4.4	4.4	4.4
Percent of failed students at state matriculation exams ("average" 3.00)	6.0	5.4	5.6	3.9	3.4	2.5
Net enrolment rate of the population in 5th–8th grade (%)	85.0	85.3	84.1	82.3	82.4	83.3
Health insured persons as share of the population (%)	91.4	91.2	90.4	90.0	91.6	94.4
Cases of hospitalization in general hospitals per 1,000 people	193	183	180	197	212	214
Registered crimes against the person and property per 1,000 people	6.1	4.8	4.7	5.7	5.4	6.1
Clearance rates for crimes against the person and property registered during the year (%)	65.9	69.5	68.7	57.9	53.5	56.7
Share of pending criminal cases (%)	7.9	11.1	6.5	6.7	8.2	5.2
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	39.0	39.0	39.1	39.3	39.5	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	4.5	4.8	5.3	4.8	4.0	n.a.
Number of visits to cinemas per 1,000 people	0	0	0	0	139	153
Number of visits to theatres per 1,000 people	52	1	0	0	69	96

Sofia (Capital City)

► Population (2015)	1,318,181
► Area (sq. km)	1,348.9
► Number of settlements	38
► Share of urban population (%)	95.5

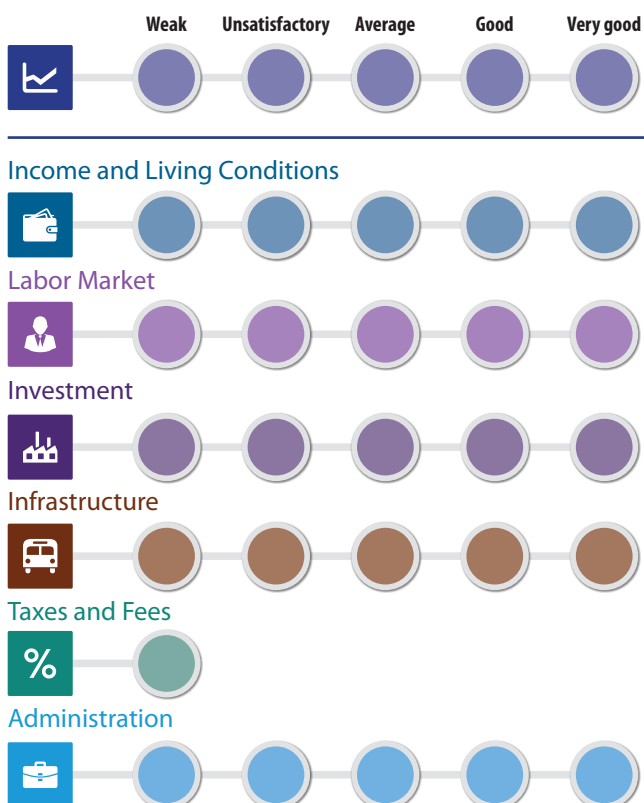


Overview

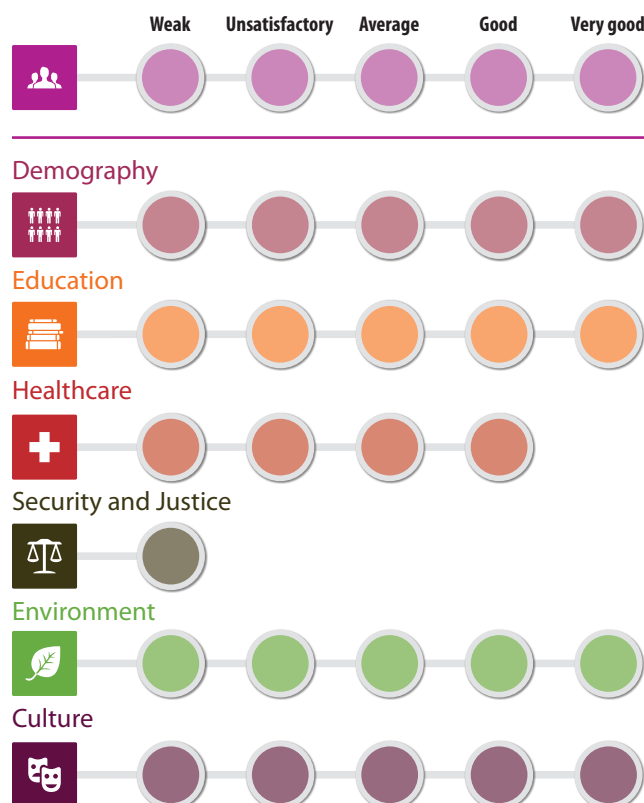
Sofia (capital city) is the district with the highest incomes and the best living conditions. Its labor market is characterized by high employment and low unemployment, and almost half the working age population has higher education. Investment activity in the capital is considerably above the national average level, though it has remained below pre-crisis levels. Infrastructural development is very good, and the administration has received one of the highest ratings for transparency in the country. Local taxes and fees remain high, yet the taxing environment is stable and does not change often.

Though demographically the district is in the best condition among all districts, the nationwide negative tendencies are also valid for the capital. The educational system is very well developed, both in terms of secondary and higher education. Some of the leading healthcare institutions are located in the capital. Crime rates are high and clearance rates are low, while the justice system has been slow in spite of the declining workloads of criminal judges. The environment is in a relatively good condition though air pollution is quite high. Sofia remains the most significant cultural center in the country.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT

Income and Living Conditions

The capital city is the district with the highest incomes and the best living conditions. GDP per capita reached 24,982 BGN in 2014, over twice the national average value. The gross annual average salary in the district went over 10,000 BGN as early as 2010, and in 2014 it was already 13,542 BGN (vs. the national average of 9,860 BGN). Because of high salary levels and high employment, 64% of household incomes were made up by salaries. The annual average income per household member in 2015 reached 7,061 BGN per capita when the average national level was 4,953 BGN per capita.

Although nearly 1/3 of the population in the capital is living in material deprivation, only 7.3% are below the national poverty line (21.8% nationally).

Labor Market

Sofia (capital city) has the highest employment and the lowest unemployment level in the country. In 2015, 71.7% of people aged 15 to 64 were employed and the unemployment rate dropped to 4.3% while the national average rate was 9.1%. The district's workforce is characterized by an exceptionally favorable educational profile. In 2015, the relative share of people aged 25 to 64 with higher education reached 49.6% (vs. 27.5% nationally). Only 3.0% of people in this age group had primary or lower education (vs. 18.1% nationally).

Despite the good condition of the labor market, the demographic crisis in the country has affected the capital, too. In 2015, there were 66 people aged 15 to 19 about to join the labor market for every 100 people aged 60 to 64 about to leave it. Though this rate was higher than the national average of 63.5%, and it continued rising in the last two years, the general prospect for workforce reproduction is negative.

Investment

Investment activity in the capital is considerably higher than the national average level but has still to reach its pre-crisis levels. The variance is most clearly visible with regard to FTA investment, which, because of the bursting of the real estate bubble in the country, has remained lower than the 2008 peak levels by 39%. In 2014, relative to the population it amounted to 6,234 BGN per capita (vs. 2,786 BGN on average in the country). After reaching some stability in 2012 and 2013, the capital once again registered an outflow of foreign investment in 2014. As of the end of 2014, foreign investment amounted to 11.7 bln euro – below the

2009 peak by 7%. Relative to the population, FDI in the capital amounted to 8,857 euro per capita, where the national average level was 3,006 euro per capita.

The only indicator in this category where capital has been lagging behind the average levels in Bulgaria is EU fund utilization from operational programs. As of 31 May 2016, 655 m BGN had been utilized, which is 497 BGN per capita (vs. 689 BGN per capita on average nationally).

Infrastructure

Though there are no roads from the national network on the territory of the capital city, it borders on three motorways: "Hemus", "Trakia", and "Struma". The district also has the highest railway network density, 12.8 km per 100 sq. km, while the national average density was 3.6 km per 100 sq. km. Internet connectivity is also high: in 2015, 75.3% of households had access (vs. 59.1% nationally). Internet usage reached 78% for people aged 16 to 74, or higher than national average levels by 18 pp.

Taxes and Fees

The local tax environment in the capital city has been stable – there have been no changes in the rates of the monitored taxes and fees. There are more considerable variances with average levels in waste collection fees (10‰ in the capital vs. 7.6‰ in Bulgaria) and the annual license tax for retailers (20.0 BGN/sq. m vs. 12.7 BGN/sq. m in the country). The immovable property tax, the vehicle tax, and the property sales tax have registered levels close to national average, somewhat higher.

Administration

The capital city was the district with the highest coverage by cadastral maps in 2015: 96.3% vs. the national average rate of 19.8%. The AIP Foundation rated the municipal administration as the sixth most transparent in the country: Sofia's municipal administration got a transparency rating of 70.2% (vs. 54.2% nationally). The capital shared the first place with the municipality of Burgas with a rate of 3.59/5.00 points (vs. 3.14 on average in Bulgaria). The development of electronic services has been ahead of most other districts but preparedness to offer one-stop shop services is below the national average level.

SOCIAL DEVELOPMENT ●●●●●

Demography ●●●●●

Though Sofia's demographic development has been following the negative tendencies characteristic of the entire country, the district is characterized by better demographic indicators. Sofia is the only district where for each person over 65 there are at least 4 persons of working age (15 to 64). The ratio between senior people (over 65) and children up to age 14 is the second most favorable after that of Burgas: it was 121.3% in 2015 when the national average was 146.4%. The net migration rate has traditionally been positive, which means that more people migrate into the capital than out of it. At the same time, the registered rate of natural increase of 4.2‰ in 2015 was the third lowest in the last 15 years, partly due to the moving of many people from the capital to the wider Sofia district. The rate of natural increase has been the most favorable in the country, though it has stayed negative as in all other districts.

Education ●●●●●

Results achieved by Sofia's high school leavers at matriculation exams in Bulgarian language and literature testify to the high quality of education in the district. In 2016, failing grades at the exam were only 2.1% (vs. 8.7% on average in Bulgaria), while the average grade of "very good" 4.58 was the highest in the country. The capital city still suffers from a relatively low share of enrollment of the population in 5th–8th grade: in 2015, 74.5% enrolled in the capital vs. 78.3% for the country.

At the same time, both the relative share of school dropouts (1.1%) and that of repeaters (0.5%) were considerably below national average figures, 2.8 and 1.0%, respectively. Though the capital is the district with the greatest number of college and university students, the ratio between their number and the local population (80 students per 1,000 people) is the second highest after the district of Veliko Tarnovo (97 students per 1,000 people).

Healthcare ●●●●●

Some of the leading healthcare establishments are located in Sofia. That is the major reason why the ratio between the number of specialist doctors to the local population is the most favorable in the country: 391 people per medical specialist (vs. 344 nationally). The ratio between the number of hospitalizations and the local population in 2015 was slightly above average, probably because people from other districts have been looking for healthcare services in the capital. The number of beds in general hospitals increased in 2015 for the sixth successive year.

In 2015, 87.1% of the district's population was health-insured (vs. 88.5% on average in the country), and a record low was registered in infant mortality rate – only 2.5‰.

Security and Justice ●

In 2015, the capital had the second least favorable ratio between the local population and the number of registered crimes after the district of Burgas. It also had the lowest clearance crime rate, alongside the district of Varna (30.4%). Though the workloads of criminal judges at Sofia district court have been going down in recent years, the speediness of justice administration has been deteriorating further. The share of criminal cases solved within 3 months dropped to 76.0% in 2015 when the national average level was 88.1%. The districts of Sofia (capital city) and Blagoevgrad have the highest shares of pending criminal cases (vs. 15.4%, 9.4% nationally).

Environment ●●●●●

Because of its high level of urbanization the capital has the highest share of population with public sewerage system (96.3%), 96.1% of which was connected to WWTPs in 2014. The national average levels for that year were 74.5 and 56.8%, respectively. In eight out of the last ten years less household waste was generated per person than the national average. In 2015, however, the average figures were surpassed, though by minimal differences: 465 kg per person for Sofia (capital city) and 442 kg per person nationally. Air pollution continues to be a key problem in the district. The level of carbon dioxide emissions into the atmosphere amounted to 1,073.5 t/sq. km of the territory (vs. 314.5 t/sq. km nationally). Only the district of Stara Zagora has higher pollution.

Culture ●●●●●

The rate of visits to cinemas has been almost 3 times higher than the national average, the capital being the only district with at least 2 visits per person. The interest in local museums has continued to increase; after 2012 the rate of museum visits has been above-average and it reached 743 visits per 1,000 people in 2015. Nevertheless, the capital remained far behind districts like Veliko Tarnovo and Gabrovo, where there were 1,988 visits per 1,000 people and 2,979 visits per 1,000 people, respectively. There was a serious drop in registered theater visits: from 852 in 2014 to 721 per 1,000 people in 2015. Still, the only district to have achieved a higher rate of theater visits was Ruse (645 visits per 1,000 people) – the capital had 547 visits per 1,000 person. Only the district of Veliko Tarnovo had a higher rate of visits to libraries.

Key Indicators for the District of Sofia (Capital City)

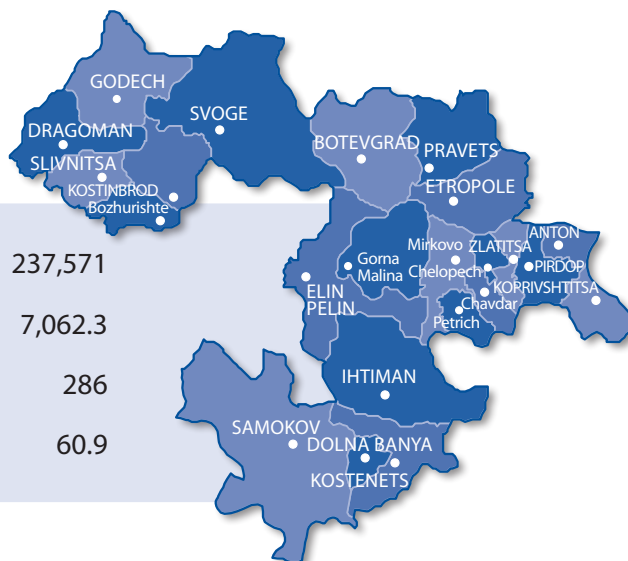
Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	23,366	24,536	24,415	24,680	24,982	n.a.
Average annual income per household member (BGN)	4,795	5,438	6,403	7,441	6,890	7,061
Average annual gross salary (BGN)	10,547	11,249	12,059	12,851	13,542	n.a.
Relative share of people living below the national poverty line (%)	6.6	7.3	5.7	7.3	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	74.1	71.6	72.2	73.5	74.0	75.0
Annual average employment rate of the population aged 15 to 64 (%)	69.1	67.2	66.9	67.5	69.2	71.7
Annual average unemployment rate of the population aged 15 to 64 (%)	6.6	6.1	7.3	8.2	6.3	4.3
Relative share of the population aged 25 to 64 with tertiary education (%)	44.8	42.7	42.9	45.8	48.6	49.6
Number of non-financial enterprises per 1,000 people	85	78	79	81	83	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	6,064	6,554	6,143	5,468	6,234	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	9,937	8,953	9,009	9,195	8,857	n.a.
Relative share of households with internet access (%)	57.1	67.0	66.2	70.9	69.3	75.3
Share of roads in good condition (%)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Share of territory included in cadastral maps (%)	30.2	60.7	95.8	95.8	95.8	96.3

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	0.0	-1.1	-1.4	-1.5	-1.2	-1.7
Net migration rate (‰)	7.6	4.8	5.4	7.1	6.5	4.2
Average grades at state matriculation exams	4.5	4.6	4.3	4.6	4.6	4.6
Percent of failed students at state matriculation exams ("average" 3.00)	1.7	1.6	3.7	2.2	1.9	1.8
Net enrolment rate of the population in 5th–8th grade (%)	80.1	79.0	78.4	76.0	74.8	74.5
Health insured persons as share of the population (%)	90.9	87.5	86.8	85.2	85.9	87.1
Cases of hospitalization in general hospitals per 1,000 people	131	140	238	224	153	253
Registered crimes against the person and property per 1,000 people	25.0	20.3	18.7	20.5	20.2	18.6
Clearance rates for crimes against the person and property registered during the year (%)	37.6	36.1	38.1	32.9	33.1	30.4
Share of pending criminal cases (%)	11.6	12.1	12.8	10.6	14.4	15.4
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	93.5	95.5	95.4	96.1	96.1	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	1,239.0	1,239.0	1,205.3	1,073.5	1,073.5	n.a.
Number of visits to cinemas per 1,000 people	2,085	2,099	1,813	2,000	2,061	2126
Number of visits to theatres per 1,000 people	603	614	600	641	649	547

Sofia District

- Population (2015)
- Area (sq. km)
- Number of settlements
- Share of urban population (%)

237,571
7,062.3
286
60.9



Overview

Salaries in the district of Sofia have been close to national average levels but total income levels have remained low due to the continuing stagnation of the labor market. Investment activity rose in 2015, and the EU funds utilized so far by municipalities in the district have surpassed average levels by a wide margin. Infrastructure is well developed but road surface quality is worse than elsewhere in the country. In 2015, 15 municipalities continued to have no cadastral map coverage, and transparency ratings for local authorities have remained among the lowest in the country. The age structure of the district's population keeps dete-

riorating despite the positive net migration rate in 2015. Matriculation exam results are going down, which raises concern about education quality in the district. Though the number of both beds in hospitals and specialist doctors has been sufficient, there is a certain shortage of GPs. The workloads of criminal judges in the district's courts are strained, which entails a higher share of pending criminal cases. The population's connectivity to WTPPs remains relatively low. With the exception of the traditionally high interest in museums in some tourist municipalities, the district's cultural development is lagging behind.

ECONOMIC DEVELOPMENT

Weak Unsatisfactory Average Good Very good



Income and Living Conditions



Labor Market



Investment



Infrastructure



Taxes and Fees



Administration



SOCIAL DEVELOPMENT

Weak Unsatisfactory Average Good Very good



Demography



Education



Healthcare



Security and Justice



Environment



Culture



ECONOMIC DEVELOPMENT ●●

Income and Living Conditions ●●●

The annual average GDP per capita reached 11,544 BGN in 2014, the fourth highest value after the capital and the districts of Stara Zagora and Varna. The average annual gross salary was close to the country average, but due to the relatively low employment, the average annual income per household member remained low – 3,827 BGN per capita (vs. 4,953 BGN per capita nationally) in 2015. Salaries accounted for 48% of total income (vs. 57% nationally), while pensions accounted for 36% (vs. 27% on average in Bulgaria). This is one of the reasons for the relatively unfavorable indicators for living conditions and social inclusion in the district. The share of the population living below the national poverty line reached 24.6% vs. the national level of 21.8%. 42.9% of the population lived in material deprivation (vs. 33.1% in the country).

Labor Market ●●●

Sofia is one of the districts where no clear signs of labor market recovery have been noticeable. The employment rate in 2015 was 59.2%, way below its value registered before the crisis affected labor markets (67.9% in 2009). In 2015, the unemployment rate dropped to 9.4% but remained above the average value for the country (9.1%), and economic activity dropped to 65.5% (vs. 69.3% on average in the country).

The educational profile of the workforce is unfavorable. 16.8% of the population aged 25 to 64 has higher education (vs. 27.8% in the country). The share of people with primary or lower education is 21.9% (vs. the national average level of 18.1%).

Investment ●●●●

Because of its immediate proximity to the capital, Sofia district is among those most attractive for foreign investors. As of the end of 2014, FDI amounted to 1.24 bln euro, or below the peak of 2012 by about 84 m. Regardless of this drop, foreign investment in the district retained its second highest place relative to the population: 5,216 euro per capita (vs. the national average of 3,006 euro per capita).

In 2014, there was a visible increase in company investment in FTA. Relative to the population, it reached its highest level since 2008: 2,353 BGN per capita (vs. 2,786 BGN on average for the country).

Municipalities in Sofia district achieved the sixth highest rate of EU fund utilization as beneficiaries of operational programs. As of the end of May 2016, they had absorbed a total of 229 m BGN or 965 BGN per capita, where the national average rate was 688 BGN per capita. Nevertheless, during the last one and a half year, the district has utilized no funds at all and has even been the single district which reported a drop in absorption levels (probably due to corrections). The highest utilization rate was achieved in the

municipalities of Kostinbrod (4,295 BGN per capita) and Pirdop (4,284 BGN per capita), while the lowest was in Svoge (104 BGN per capita).

Infrastructure ●●●

The density of the road (21.3 km per 100 sq. km) and railway (4.2 km per 100 sq. km) networks is higher than the respective national averages of 17.8 and 3.6 km per 100 sq. km. A higher share of motorways and first class roads than that in Sofia district (32.8%) is only to be found in Shumen (36.0%). Despite the good coverage of the district's territory with roads, the share of road surfaces in good condition continues to be relatively low – 29.0% in 2015 vs. 40.7% in the country.

At the same time, Sofia is among the districts with the lowest share of households with internet access (45.9% in 2015 when the average was 59.1%). Lower levels have only been observed in the districts of Vratsa, Montana, Sliven, and Targovishte. Internet usage in 2015 was also below average: 57.8% of the population between 16 and 74 used the internet vs. 60.3% nationally.

Taxes and Fees ●●●

Although tax burden in the district's municipalities has stayed close to the average national levels, it has been rising gradually. Seven changes in key local taxes and fees were registered in 2016, five of which included higher values. The tax which was changed most drastically was the vehicle tax; three of the four registered changes included raising the previous rates. Yes, both vehicle tax and the license tax for retailers have not surpassed average national levels.

The local tax on the sale of immovable property and the immovable property tax for legal entities are higher than national average levels. The district also has the fifth largest waste collection fee for properties of legal entities.

Administration ●●

Cadastral coverage in Sofia district increased in 2015 to reach 14.6%, but there are still 15 municipalities with no coverage at all.

Samokov and Svoge are the only municipalities in Sofia district to have reached an above-average active transparency rating from the AIP Foundation. The average rating for the district's municipalities was 41.3% (vs. 54.3% nationally); lower average ratings were given only to the districts of Shumen, Pernik, Kardzhali, and Vidin. In administrative services, a relatively good level has been achieved in one-stop shop services, while the development of electronic services remains below the national average level.

SOCIAL DEVELOPMENT ●

Demography ●●●

Sofia district registered its highest net migration rate (5.5‰) in 2015. This was the highest value for the entire country. Most settlers in the district – over 3,000 people – came from the capital.

Nevertheless, the overall demographic state in the district continued to deteriorate in 2015, especially as far as the population's age structure was concerned. The age dependence ratio for that year (the ratio between people over 65 and those aged 0 to 14) reached 167.5% (vs. 146.4% for the country). That trend influenced the natural growth rate, which was –9.7‰ in 2015 (vs. –6.2‰ nationally).

Education ●

The quality of school education declined quickly in the district of Sofia in the last few years. Until 2013, high school leavers attained better results at the matriculation exams in Bulgarian language and literature than the average for the country. In the next three years, however, grades got worse and in 2016, the district registered the third highest share of failing grades – 16.0% or almost twice the national average share. Stricter control on the exam's administration this year is a possible explanation. A high share of high school repeaters is also typical of the district. In 2015, it reached 1.8% vs. 1.0% on average for Bulgaria. Among the few positive features of school education is the relatively high percentage of enrollment in 5th–8th grade. It rose in 2015 to reach 79.5%, which is more than the national coverage by 1 pp.

The proximity to the capital's established universities has limited to a certain extent the possibilities for the development of higher education in the district. In 2015, there were 4,259 students in colleges and universities in the district, the smallest number since 2007.

Healthcare ●●●

The development of healthcare in the district is similar to that in the country. The ratio between beds in general hospitals and the local population reached 5.1 beds per 1,000 people in 2015 (vs. 4.6 beds per 1,000 people on average nationally). The population's morbidity, however, was above average. In 2015, there were 260 patients hospitalized per 1,000 people while the national average was 232 patients per 1,000 people. Despite (or maybe because of) the capital's proximity, there is a sufficient number of doctors. During the last year, though, the ratio of general practitioners to the local population deteriorated. In 2015, it reached 1,786 people per doctor (vs. 1,619 people per doctor on average in the country).

In 2015, 87.3% of the district's population was health-insured, which was slightly below the national average rate of 88.5%.

Security and Justice ●●

Between 2013 and 2015 the workloads of judges in the district court grew from 6.9 to 9.7 cases per month, while the national average remained slightly over 8 cases per month. The bigger workloads entailed a growing number of pending criminal cases which reached 12.1% in 2015 (vs. 9.4% on average for the country). The share of cases closed within three months, however, approached the national average, reaching 89.0% in 2015.

After going up in 2010 and 2011, the district's crime rate gradually went down to reach a level close to the national average. In 2015, the clearance crime rate was 39.7% – close to the average level of 39.2% for Bulgaria.

Environment ●

In 2015, Sofia district had the third highest volume of generated household waste per capita: 568 kg per person (vs. 442 kg per person on average in the country). Higher rates were registered only in Burgas and Ruse. Though 77.1% of the population lives in areas with public sewerage systems, only 29.3% of the population were connected to WWTPs in 2014, a share two times lower than the national average.

The air is relatively clean in the district. In 2014, the level of carbon dioxide emissions amounted to 39.5 t/sq. km (vs. 314.5 t/sq. km on average in Bulgaria).

Culture ●

In Sofia district there are neither theaters nor libraries large enough to be included in the annual monitoring of the NSI. Between 2013 and 2015 cinemas in the district registered about 14,000 to 15,000 visits annually. Relative to the population, that made a little over 60 visits per 1,000 people in 2015 (vs. 744 per 1,000 people nationally).

Only the local museums enjoyed an above-average visit rate thanks to tourist municipalities like Koprivshtitsa. In 2015, there were 1,491 visits per 1,000 people, which is the third highest level of museum visits after the districts of Gabrovo and Veliko Tarnovo.

Key Indicators for the District of Sofia

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	9,008	12,021	12,286	10,978	11,544	n.a.
Average annual income per household member (BGN)	3,201	3,156	3,523	3,563	3,771	3,827
Average annual gross salary (BGN)	7,749	8,360	8,926	9,252	9,766	n.a.
Relative share of people living below the national poverty line (%)	21.4	19.0	24.5	24.6	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	68.0	66.1	63.7	66.3	68.4	65.5
Annual average employment rate of the population aged 15 to 64 (%)	62.5	59.6	59.6	59.5	59.6	59.2
Annual average unemployment rate of the population aged 15 to 64 (%)	7.8	9.7	6.4	10.0	12.7	9.4
Relative share of the population aged 25 to 64 with tertiary education (%)	13.1	15.3	15.0	14.4	15.8	16.8
Number of non-financial enterprises per 1,000 people	37	37	37	38	39	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	2,174	1,971	2,338	1,836	2,353	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	5,243	5,253	5,413	5,274	5,216	n.a.
Relative share of households with internet access (%)	33.4	48.7	49.2	44.1	45.9	45.9
Share of roads in good condition (%)	30.7	36.2	36.0	28.6	31.0	29.0
Share of territory included in cadastral maps (%)	11.6	12.4	12.4	12.4	12.6	14.8

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-8.0	-8.3	-8.5	-8.2	-9.1	-9.7
Net migration rate (‰)	-2.1	0.1	-1.2	-1.6	-2.7	5.5
Average grades at state matriculation exams	4.7	4.8	4.5	4.4	4.3	4.1
Percent of failed students at state matriculation exams ("average" 3.00)	1.9	1.5	2.1	2.2	5.0	10.7
Net enrolment rate of the population in 5th–8th grade (%)	81.6	81.5	80.6	79.7	78.9	79.5
Health insured persons as share of the population (%)	85.4	86.0	85.4	84.8	86.0	87.3
Cases of hospitalization in general hospitals per 1,000 people	230	241	246	252	249	260
Registered crimes against the person and property per 1,000 people	20.9	18.3	15.2	15.9	14.7	13.8
Clearance rates for crimes against the person and property registered during the year (%)	37.4	37.6	40.5	35.5	39.1	39.7
Share of pending criminal cases (%)	6.4	12.0	10.9	9.2	10.5	12.1
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	28.8	28.2	29.1	29.3	29.3	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	17.6	21.1	20.5	41.7	39.5	n.a.
Number of visits to cinemas per 1,000 people	17	20	35	62	63	61
Number of visits to theatres per 1,000 people	0	0	0	0	0	0

Stara Zagora District

► Population (2015)	324,824
► Area (sq. km)	5,151.1
► Number of settlements	207
► Share of urban population (%)	71.7

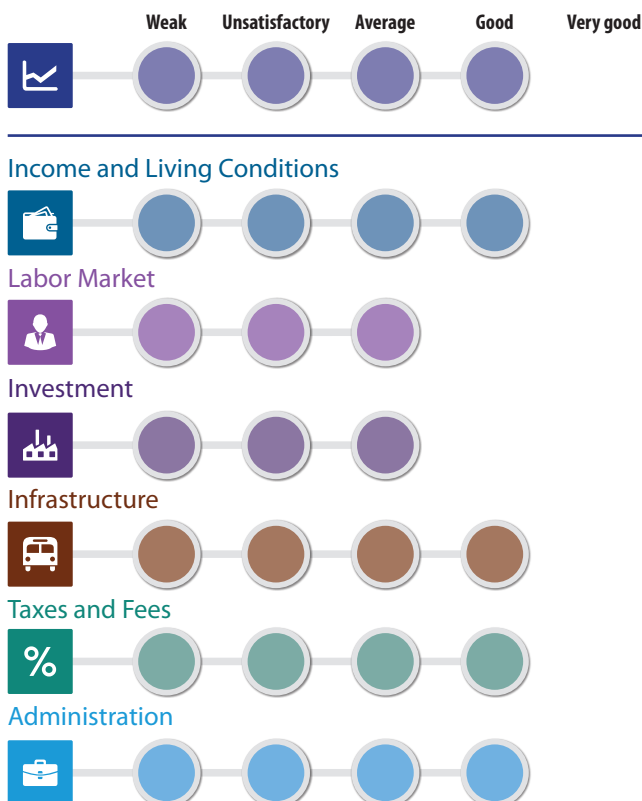


Overview

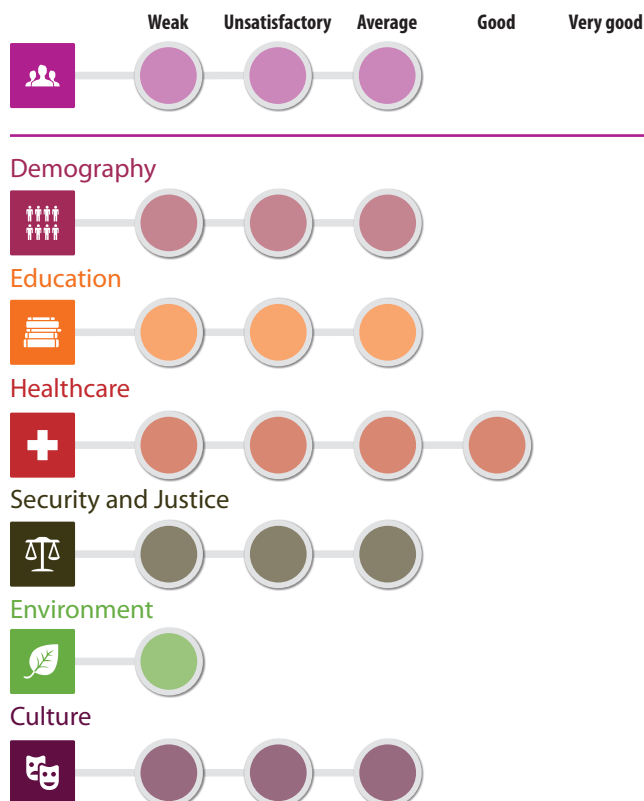
Stara Zagora is the district with the highest GDP per capita and the highest annual average gross salary in Bulgaria after the capital. Employment levels have been going up at a relatively slow pace, therefore 2015 was the first of fifteen years when unemployment rates were above the national average level. The probable cause for the difficult recovery of employment rates is the relatively unfavorable educational structure of the workforce. The district has been the fourth most attractive one for foreign investment, while EU fund utilization has been following the general trends for the country. Infrastructure and administrative services are well developed, and the level of most local taxes and fees has been favorable.

Demographically, the district of Stara Zagora does not differ from the general picture in Bulgaria. The educational system is well developed but the district's average grade at matriculation exams in Bulgarian language and literature has gradually declined as has the national average level. The number of beds in general hospitals shrank in 2015, though the district had a relatively high number of general practitioners and medical specialists. Although judges' workloads have been on the increase, the number of pending criminal cases has been relatively small. The environment is rated "poor" because of the serious air pollution, while the development of cultural life has followed general trends in the country.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT

Income and Living Conditions

Stara Zagora is the district with the highest GDP per capita and the second highest annual average gross salary after the capital. The district's economy has a pronounced industrial profile and a great number of people work in energy production. Since 2009, the average annual income per household member has been above the national average level, reaching 5,090 BGN in 2015. Income structure is characterized by a share of salaries lower than the national average level and a share of incomes from pensions higher than the national level. The latter fact is a consequence not so much of the district's demographic picture as of the high pensions and the employment rate, which is below the national average. Against this background, the share of people living in material deprivation (39.5%) remains relatively higher than the national average rate of 33.1%. The relative share of the poor is declining and is now close to national average levels.

Labor Market

The recovery of the labor market in the district of Stara Zagora has been slower than that in most districts. In 2015, the population's economic activity rose at a faster rate than the national average, but the overall level remained below the national average of 39.3% by 2.4 pp. After a period of decline or stagnation, the employment rate rose to 60.3% in 2015, albeit staying below the national level of 62.9%. The increased number of employed people entailed a drop in unemployment to 9.7%, but because jobs were created at a faster rate in other regions, the indicator of Stara Zagora was higher than the national average of 9.1% for the first time in 15 years.

The educational profile of the workforce is characterized by a relatively small number of people with higher education (22.6% in Stara Zagora vs. 27.5% nationally in 2015) and a share of people with primary or lower education (17.6%) close to the national average of 18.1%. This is probably one of the reasons for the more difficult recovery of the district's labor market.

Investment

As of the end of 2014, FDI in the district reached the record of 970 m euro or 2,984 euro per capita. That made Stara Zagora the fourth most attractive district for FDI after the capital and the districts of Sofia and Varna. FTA investment, however, remained far from its pre-crisis levels, though in 2014 it came close to the national average of 2,786 BGN per capita.

The district's municipalities achieved a rate of utilization of EU funds from operational programs close to the national average levels. As of 31 May 2016, they had utilized a total of 219 m BGN, or 675 BGN per capita (vs. 689 BGN on av-

erage in Bulgaria). The highest rates were achieved by the municipalities of Radnevo (1,301 BGN per capita) and Stara Zagora (936 BGN per capita), and the lowest ones – by Pavel Banya (21 BGN per capita), Galabovo (66 BGN per capita), and Maglizh (68 BGN per capita).

Infrastructure

The launching of the "Trakia" motorway had a strong positive effect on the district's infrastructural profile. In 2014, 27.0% of the road network on the territory of the district consisted of motorways and first class roads (vs. 18.1% nationally). More than half the roads were in good condition in 2015: 55.7% vs. the national average rate of 40.7%. The density of the railway network (5.1 km per 100 sq. km) is above the national average of 3.6 km per 100 sq. km.

In 2015, rates close to the national average levels were registered both for the share of households with internet access and for internet usage by the district's inhabitants.

Taxes and Fees

The level of local taxes and fees is more or less favorable. The ones below the national average level include the immovable property tax, the household waste collection fee for immovable property of legal entities, and the property transfer tax. The vehicle tax and the annual license tax for retailers have average rates above national levels. The only municipality to change its rate for any of the monitored taxes in 2016 was that in Opan. In comparison with the previous year, the waste collection fee for legal entities was raised from 3.5 to 4‰, while the annual immovable property tax was raised from 1.5 to 1.75‰.

Administration

The development of electronic services and the readiness for offering one-stop shop services for businesses and individuals are above national average levels. While the district center achieved the third highest rating in the Local Integrity System Index of Transparency International, the transparency of local government in the district was relatively lower. The AIP average rating for transparency in the municipalities in 2016 was 45.9% vs. the national average of 54.2%.

Cadastral map coverage was also lagging behind. In 2015, it reached 15.7% while the national level was 19.8%. Two of the district's municipalities had complete cadastral maps (Gurkovo and Nikolaevo), while three others had no coverage at all (Chirpan, Opan, and Bratya Daskalovi).

SOCIAL DEVELOPMENT ●●●●

Demography ●●●●

The district's demographic development has followed to a considerable extent the general tendencies in the country. Age dependence ratios are almost analogous to national average figures: for every 100 people up to 14 years of age there are 148.7 people over 65 (vs. 146.4 nationally). In 2015, the natural growth rate was negative (−6.9‰) but close to the national average (−6.2‰). Between 2012 and 2014 the net migration rate in the district was positive – more people moved to it than from it. In 2015, it was negative (−0.2‰). In 2015, 71.7% of the district's population lived in towns, a rate close to the national average of 73.1%

Education ●●●●

The coverage of the educational system has been relatively good, though grades have been going down. After 2010 the population's net enrolment rate in 5th–8th grade has been above-average, reaching 80.4% in 2015. The share of dropouts from primary and secondary school was gradually stabilized around 2.5% or close to national average levels. Between 2008 and 2016 the share of failing grades at the matriculation exam in Bulgarian language and literature was below the national average rate. Still, the variance has been diminishing in the last few years, thus influencing the average grade. After 2013 the latter was slightly below the national average grade.

The district can hardly be described as an outstanding academic center. In 2015, there were 5,316 students at the only higher education institution in the district.

Healthcare ●●●●●

Ratios between the number of doctors and the population have been on the favorable side in the district of Stara Zagora. Though up to 2014 the ratio between beds in general hospitals and the local population was above national levels, the number of hospitalizations was relatively low. It could be assumed that morbidity was lower in the district compared with other districts in the country. In 2015, 90.1% of the population had health insurance (vs. 88.5% on average in Bulgaria).

The declining number of hospital beds in 2015 and the relatively high infant mortality rate between 2013 and 2015 can be listed among the negative processes going on during the last few years.

Security and Justice ●●●●

Despite the relatively high workloads of criminal judges at the district court (9.8 cases/month in 2015 vs. 8.3 cases/month nationally), the work of the district's justice system has been more or less speedy. In 2015, about 90.0% of criminal cases at the district court were closed within 3 months, while the share of pending cases was 5.8%. Both figures were more favorable than the national average levels of 88.0 and 9.4%, respectively. Except for the period 2010–2011, the crime rates in the district have been below national average levels. Clearance crime rates were also near-average, except for the period between 2013 and 2015 when they were slightly higher. In 2015, 41.7% of crimes were solved (vs. 39.2% on average for the country).

Environment ●●●●

The major reason behind the district's poor rating in this area has been the strongly polluted air as a consequence of the emphatically industrial profile of the local economy, in particular, the energy sector and heavy industry. In 2014, the levels of carbon dioxide emissions reached 3,678.3 t/sq. km, which, though far from the peak of 4,873.2 t/sq. km registered in 2011, remained more than 10 times above the national average level.

In 2014, 71.5% of the population of Stara Zagora district lived in areas with public sewerage systems, 61.3% of which were connected to WWTPs. While access to sewerage was slightly below the average 74.9% in Bulgaria, WWTP connectivity was among the relatively highest in the country.

Culture ●●●●

Local theaters and museums boast more visits in Stara Zagora than those in most other districts. Relative to the population, in 2015 there were registered 366 theatre visits per 1,000 people and 894 museum visits per 1,000 people (vs. 302 per 1,000 people and 664 per 1,000 people nationally). While a positive tendency can be seen in theater visits, 2015 was the second year in which museum visits declined. Cinema visits are also lower than the country average but this was the consequence of the exceptionally big numbers registered in the five districts that ranked before Stara Zagora in this indicator: Burgas, Varna, Plovdiv, Ruse, and Sofia (capital city). After 2014 the number of library visits has been lower than the country average, but this is due not so much to a declining interest in local libraries but rather to the faster rates in other districts.

Key Indicators for the District of Stara Zagora

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	9,514	10,640	11,839	12,375	14,348	n.a.
Average annual income per household member (BGN)	3,886	4,184	4,382	5,037	4,957	5,090
Average annual gross salary (BGN)	8,080	8,512	9,117	9,414	10,035	n.a.
Relative share of people living below the national poverty line (%)	24.8	26.3	28.8	22.4	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	68.4	66.6	67.6	64.9	65.2	66.9
Annual average employment rate of the population aged 15 to 64 (%)	64.1	62.4	62.8	58.0	58.0	60.3
Annual average unemployment rate of the population aged 15 to 64 (%)	6.7	6.3	7.1	10.6	11.0	9.7
Relative share of the population aged 25 to 64 with tertiary education (%)	19.3	21.5	20.5	19.5	21.8	22.6
Number of non-financial enterprises per 1,000 people	43	43	44	44	44	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	2,522	1,936	2,946	2,062	2,760	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	1,643	1,691	2,024	2,437	2,984	n.a.
Relative share of households with internet access (%)	31.7	40.4	53.4	52.3	53.7	61.4
Share of roads in good condition (%)	60.4	59.3	59.0	53.4	53.7	55.7
Share of territory included in cadastral maps (%)	15.0	15.0	15.0	15.0	15.0	15.7

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-5.2	-5.5	-5.8	-5.8	-7.0	-6.9
Net migration rate (‰)	-4.9	-1.6	1.9	0.5	0.5	-0.2
Average grades at state matriculation exams	4.4	4.6	4.2	4.3	4.3	4.2
Percent of failed students at state matriculation exams ("average" 3.00)	2.9	3.2	3.9	4.0	3.8	5.8
Net enrolment rate of the population in 5th–8th grade (%)	79.0	82.4	83.1	82.0	80.8	80.4
Health insured persons as share of the population (%)	87.6	90.6	89.7	88.4	89.0	90.1
Cases of hospitalization in general hospitals per 1,000 people	154	156	170	205	146	218
Registered crimes against the person and property per 1,000 people	16.6	17.5	15.2	14.1	12.4	12.6
Clearance rates for crimes against the person and property registered during the year (%)	39.4	36.4	38.4	39.9	40.3	41.7
Share of pending criminal cases (%)	8.1	8.9	8.3	9.5	6.4	5.8
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	18.7	60.9	61.0	61.2	61.3	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	3,524.0	4,873.2	4,252.6	3,405.1	3,678.3	n.a.
Number of visits to cinemas per 1,000 people	516	653	588	590	642	665
Number of visits to theatres per 1,000 people	197	325	319	349	359	366

Targovishte District

► Population (2015)	115,816
► Area (sq. km)	2,558.5
► Number of settlements	199
► Share of urban population (%)	53.7

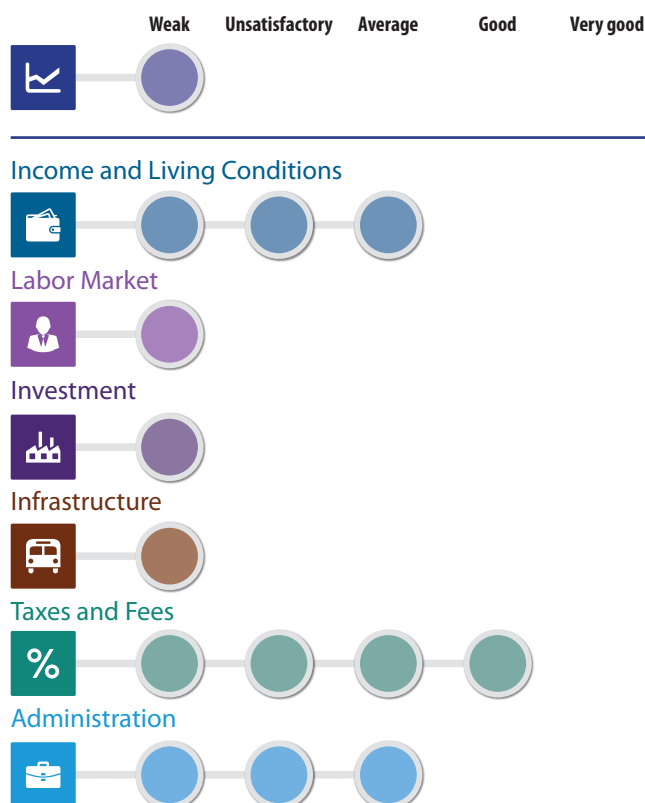


Overview

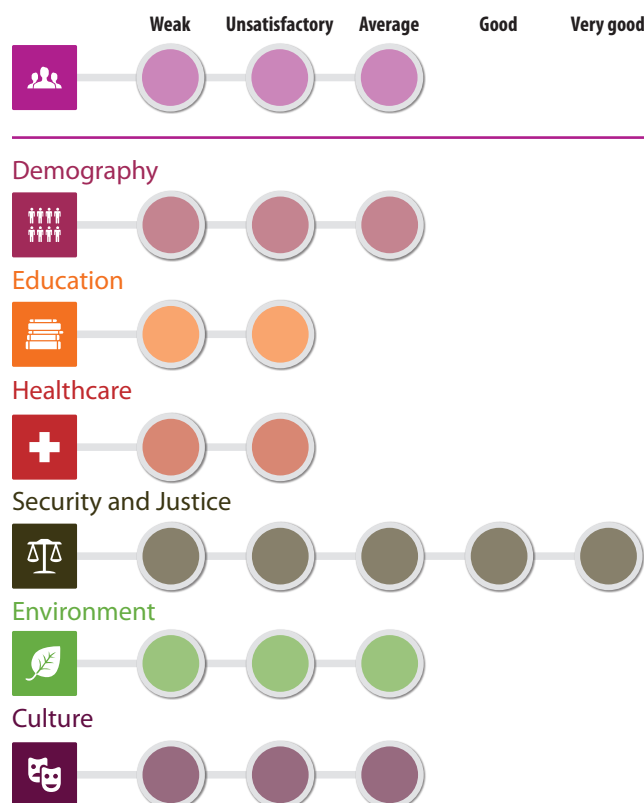
GDP growth and its per capita value have been lagging in the district compared to national trends. In 2015, the population's economic activity in the district also continued to decrease. Targovishte was the district with the lowest activity in the labor market. All these factors have predetermined the relatively low living standard in the district. Targovishte is also among the districts with relatively low business activity, relatively low investment, and relatively poor utilization of EU funds. On the whole, local tax and fee rates were below national average levels. Cadastral map coverage is limited in

the district, while the transparency of the local administration was rated below the national average. Almost half the district's population lives in villages, and the ratio between seniors over 65 and children is deteriorating rapidly. In the healthcare category the most serious problem is the shortage of doctors. The workloads of criminal judges in the district of Targovishte remain the lowest in the country, which is also due to the low rate of registered crimes. Targovishte is also the district with the highest clearance crime rate.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ●

Income and Living Conditions ●●●

After four years of uninterrupted growth, in 2014, GDP in the district dropped by almost 4%. GDP per capita also shrank in 2014 to 7,113 BGN per capita, which is considerably below the national level of 11,574 BGN per capita. Despite the decline in GDP, salaries in the district went on rising, and in 2014 their growth rate compared to 2009 was above the country average. Still, the level of salaries remained below average by about 30%.

Household incomes also have been rising. In 2015, Targovishte was the district with the highest growth rate of the annual average income per household member compared to 2009: 65% vs. the national average of 34%. Still, incomes were below average incomes in Bulgaria (3,910 BGN per capita in the district and 4,953 BGN per capita nationwide), while salaries formed less than half of the gross income: 49% vs. 57% for the country.

Low incomes have predetermined the high share of people living below the national poverty line: 29.7% in the district vs. 21.8% in the country in 2013.

Labor Market ●

In 2015, unemployment was dropping rapidly in the district, reaching levels below the national average: the unemployment rate for that year was 8.8% (vs. 9.1% nationally). Employment rates, on the other hand, have remained slightly over 51%, the second lowest in the country (after Silistra). That means that the majority of the previously unemployed did not find jobs but simply left the workforce. Economic activity went on declining for the fourth successive year in 2015. Targovishte was the district with the least active workforce in Bulgaria: 56.7% vs. 69.3% nationally. Low employment and economic activity can partly be explained with the deteriorated educational structure of the population. In 2015, the share of the population aged 25 to 64 with higher education in the district dropped to become the lowest in the country, 15% vs. 27.5% for the country. At the same time, Targovishte was among the districts with the highest share of low-qualified population judging by the share of people with primary or lower education: 35.7% vs. 18.1% in the country in 2015.

Investment ●

In 2014, Targovishte was among the districts with the lowest number of non-financial enterprises relative to the population: 32 per 1,000 people, a sign of limited investment and entrepreneurial activity. FTA acquisition expenditures were also relatively low and even declined compared to 2013, while towards the end of 2014 FDI relative to the population was almost half the national average.

Targovishte was one of the five districts which had been paid the smallest sums as beneficiaries from operational programs per capita as of 31 May 2016. The municipality with the least utilized EU funds was Antonovo, while Popovo had utilized the most.

Infrastructure ●

Though the road network density in the district of Targovishte was above the national average, the share of first class roads is lower. Road surface quality declined in 2015, too, but was still above national average levels.

In addition, a decline in internet access and usage was registered in 2015. That made Targovishte the district with the second lowest share of households with internet access (33.8% in the district vs. 59.1% in the country) and the district with the lowest share of people aged 16 to 74 to have used the internet in the previous year (22.2% in the district vs. 60.3% in the country).

Taxes and Fees ●●●●

In 2016, the municipality of Opaka raised the rates of all monitored taxes and fees, while the municipality of Antonovo raised four of them. There were no changes in the remaining municipalities.

On the whole, the rate of local taxes and fees in the district of Targovishte was again below the national average level in 2016. From the monitored local rates the only exception was the vehicle tax where the average level of the district's municipalities was a little higher.

The greatest variance from national average rates was noticeable in the license tax for retailers, which was highest in Targovishte and Omurtag, and lowest in Opaka and Popovo.

Administration ●●●

The self-rating of municipalities in the district of Targovishte for development of electronic government remained above the national average ratings, and it rose in 2016. However, the rating for the offering of one-stop shop services dropped and was considerably below the national average level in 2016.

Cadastral map coverage did not increase in 2015 and remained 6.0% (vs. 19.8% nationally) for the seventh year in succession. The municipalities of Opaka and Antonovo still had 0% coverage.

The local administrations' transparency was also rated by the AIP foundation below average for the country: 50.9% (vs. 54.2% nationally) in 2016. The highest rating in the district was given to the municipality of Targovishte (58.2%), and the lowest – to the municipality of Opaka (24.6%).

SOCIAL DEVELOPMENT ●●●●

Demography ●●●●

The relatively low natural growth and the high intensity of out-migration among the district's population have continued to deteriorate the demographic picture of Targovishte. During the last decade, the ratio of age dependence as a ratio of persons over 65 to children under 14 grew faster than the national average growth to reach 140.1%, though it remained beneath the national average of 146.4%.

The district of Targovishte continues to be the district with the lowest share of urban population and with the lowest population density. In 2015, 53.7% lived in towns (vs. 73.1% on average in Bulgaria).

Education ●●

Targovishte is one of the five districts without higher education institutions; school education suffers from numerous weaknesses. The population's enrolment rate in 5th–8th grade shrank fast to reach 77.5% in 2015 (vs. 78.3% for the country). The share of dropouts from primary and secondary education rose to 4.9%, the second highest figure in the country and considerably above the country average level of 2.8%. The number of repeaters dropped to 0.8%, though, and was below the national average level of 1.0% in 2015.

The average grade at matriculation exams in Bulgarian language and literature in 2016 in the district of Targovishte was "good" 3.98 (it dropped from "good" 4.06 in 2015) while the national average grade was "good" 4.17.

Healthcare ●●

In the healthcare category, the most acute problem in the district is the shortage of doctors. Targovishte held the third place among all 28 districts with the lowest number of general practitioners relative to the population. In 2015, there were 2,227 people per GP in the district while that number was 1,619 in Bulgaria. The number of people per specialist doctor was 738 (vs. 544 nationally).

The share of health-insured people rose to 88.2% but remained below the average level for the country in 2015. The number of hospital beds and hospitalizations in the district relative to the population continued to be similar to the national average figures for 2015.

Security and Justice ●●●●●●

The workloads of criminal judges in the district court in Targovishte have remained the lowest in the country. In 2015, it declined to reach 3.3 cases per judge per month (vs. 8.3 cases per month nationally). That could be explained with the low crime rate in 2015 again. Targovishte remained among the districts with the smallest number of registered crimes against the person and property relative to the population: 8.8 per 1,000 people vs. 13.6 per 1,000 people nationally. The judges' low workloads also play a role for the speedy closure of cases. In 2015, 92.0% of cases in the district were closed within three months (vs. 88.1% nationally) and 8.1% of cases were pending (vs. 9.4% nationally). In 2015, Targovishte became the district with the highest share of cleared crimes from those registered during the year: 63.2% vs. 39.2% in the country.

Environment ●●●●

Relatively few people in the district have access to public sewerage and to WWTP connectivity in the district, which is typical of districts with low degree of urbanization and low population density. In 2014, 56.4% of the population in Targovishte district lived in areas with public sewerage systems vs. 74.9% in the country; 44.1% (unchanged from the previous three years) had access to sewerage systems connected to WWTPs (vs. 56.8% nationally).

In 2014, carbon dioxide emissions into the atmosphere kept a level three times lower than the national average: 104.5 t/sq. km (vs. 314.5 t/sq. km nationally).

Generated household waste also stayed less than that in other districts. In 2014, household waste per capita in the district was 387 kg annually (vs. 442 kg nationally).

Culture ●●●●

In 2015, library visits in the district of Targovishte remained considerably above national average figures: 755 per 1,000 people while the national average was 583 per 1,000 people. A greater number of visits were also registered in the district's theaters: 434 vs. the national average of 302 per 1,000 people.

Visits to cinemas and museums remained about three times fewer than nationally, though statistics registered considerable increase in both indicators in 2015. Cinema visits in the district reached 259 per 1,000 people and museum visits reached 223 per 1,000 people.

Key Indicators for the District of Targovishte

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	5,786	6,675	7,075	7,310	7,113	n.a.
Average annual income per household member (BGN)	2,354	2,695	2,924	3,025	3,546	3,910
Average annual gross salary (BGN)	5,620	5,913	6,556	7,195	7,465	n.a.
Relative share of people living below the national poverty line (%)	44.6	35.3	39.4	29.7	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	63.4	65.7	63.9	57.9	57.8	56.7
Annual average employment rate of the population aged 15 to 64 (%)	55.7	57.6	53.9	48.7	51.2	51.6
Annual average unemployment rate of the population aged 15 to 64 (%)	11.7	12.4	15.6	15.7	11.4	8.8
Relative share of the population aged 25 to 64 with tertiary education (%)	13.1	15.2	17.9	16.7	17.3	15.0
Number of non-financial enterprises per 1,000 people	31	31	31	32	32	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	911	1,299	2,165	2,700	2,056	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	1,405	1,607	1,562	1,784	1,712	n.a.
Relative share of households with internet access (%)	20.2	24.3	38.3	29.4	41.8	33.8
Share of roads in good condition (%)	55.0	54.2	58.0	52.0	47.0	42.5
Share of territory included in cadastral maps (%)	6.0	6.0	6.0	6.0	6.0	6.0

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-4.9	-5.7	-6.0	-5.8	-6.7	-7.0
Net migration rate (‰)	-9.5	-3.7	-3.1	-3.2	-4.4	-3.5
Average grades at state matriculation exams	3.9	4.0	4.0	4.1	4.0	4.1
Percent of failed students at state matriculation exams ("average" 3.00)	11.2	8.7	7.6	4.5	6.9	4.4
Net enrolment rate of the population in 5th–8th grade (%)	83.5	86.0	84.3	82.2	81.6	77.5
Health insured persons as share of the population (%)	83.8	87.9	86.9	85.8	86.9	88.2
Cases of hospitalization in general hospitals per 1,000 people	219	235	242	257	251	244
Registered crimes against the person and property per 1,000 people	13.3	10.3	9.6	10.0	9.1	8.8
Clearance rates for crimes against the person and property registered during the year (%)	66.9	69.2	70.5	63.0	64.0	63.2
Share of pending criminal cases (%)	8.1	6.1	8.7	9.6	10.3	8.1
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	12.0	44.1	44.1	44.1	44.1	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	69.4	69.4	88.7	92.5	104.5	n.a.
Number of visits to cinemas per 1,000 people	26	26	25	36	9	259
Number of visits to theatres per 1,000 people	246	364	373	480	506	434

Varna District

► Population (2015)	473,365
► Area (sq. km)	3,819.5
► Number of settlements	159
► Share of urban population (%)	83.5



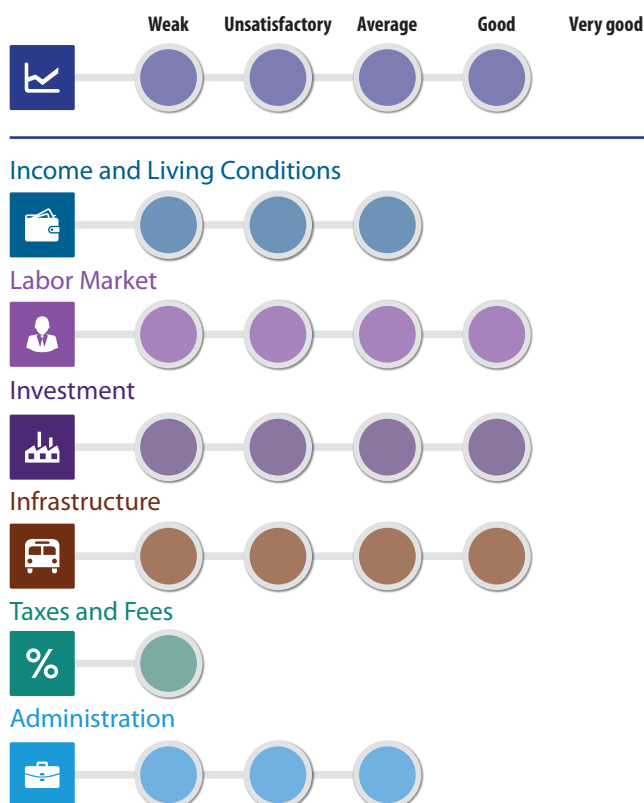
Overview

The district of Varna ranks third in the country, after the capital and Stara Zagora in welfare measured via GDP per capita in 2014. Household incomes also stayed above average in 2015 but salaries remained low. The labor market in the district improved considerably in 2015. Investment activity stayed relatively high but utilization of EU funds by municipal administrations in the district was below the national average. Varna is a significant transport hub.

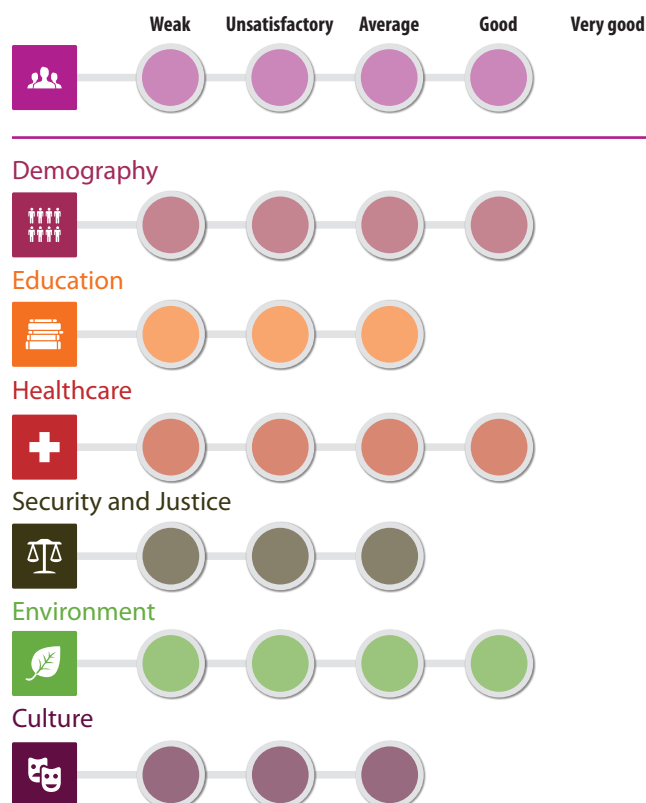
The demographic picture in the district of Varna continues to be more favorable than elsewhere in the country.

The share of children attending junior high schools is still relatively low and the share of dropouts is larger than the national. High school graduates perform better at matriculation exams, and Varna occupies one of the first places in the country in number of people with higher education relative to the population. Administration of justice in the district is also given a relatively positive evaluation but the registered crimes remain above the country average number, while clearance crime rate is relatively low. Varna ranks second in the number of visits to cinemas after the capital.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT

Income and Living Conditions

The district of Varna ranked third (after the capital and Stara Zagora) in the country in welfare measured through GDP per capita in 2014: 12,096 BGN while the country average value was 11,574 BGN. In 2015, household incomes stayed above average again, while their growth in recent years was commensurate with the country average. Salaries, however, remained lower: since the very beginning of the crisis the national average salary overtook that in Varna. In 2014, the average annual gross salary of those employed fulltime in Varna was 9,272 BGN vs. 9,860 BGN in the country.

About half of the district's population lives in material deprivation compared to the 1/3 ratio in Bulgaria. Similar to the situation nationwide, poor people comprise slightly over 1/5 of the local population.

Labor Market

In 2015, the labor market in Varna district improved considerably. The rate of economic activity rose by 4.8 pp to reach 72.6%, which is higher than the national average (69.3%). Varna was also the district with the highest rise in employment rate compared with the previous year: the employment rate grew by 6.6pp to 68.4% (vs. the national average of 62.9%), and unemployment fell by 3.0 pp to 5.7% vs. the national rate of 9.1%.

The good educational structure of the population creates conditions for further employment growth. In 2015, 30.6% of the population aged 25 to 64 had higher education (vs. the national average of 27.5%), whereas 15.5% had primary or lower education (vs. 18.1% nationally).

The demographic replacement rate in the district is also relatively better than the national average. In 2015 there were 68.5 young people about to join the labor market for each 100 people about to retire in the next few years. By way of comparison, this rate was 63.5% for Bulgaria.

Investment

Investment activity in the district remained relatively high. In 2014, there were 67 active enterprises per 1,000 inhabitants (vs. 53 for the country). Expenditures on the acquisition of fixed tangible assets were comparable to the average and cumulative foreign direct investment, reaching 1.7 bln euro or 3,547.4 euro per capita (vs. 3,006.6 euro per capita for the country as a whole).

Municipal administrations in the district of Varna have a relatively poor rate of EU funds utilization. By May 31st 2016 the sums paid under contracts with municipalities as beneficiaries were 607.5 BGN per capita (vs. the national average sum of 688.8 BGN per capita. The municipality of Byala

utilized the largest sum: 4,390.0 BGN per capita, while that of Dalgopol utilized the smallest (110.0 BGN per capita).

Infrastructure

Varna is an important transport hub, and the density of road and railway networks in the district is higher than it is nationwide. The district's share of motorways and first class roads as part of the national road network is significantly higher: 27.4% vs. 18.1% nationwide in 2014. The share of roads in good condition, on the other hand, is only insignificantly higher than it is nationwide though it has been improving constantly in the last few years. In 2015, the share of roads with good quality surface reached 44.0% vs. 40.7% in the country. The main challenge facing the district's road infrastructure is the still unfinished "Hemus" motorway, which will connect Varna and Sofia.

Taxes and Fees

Municipalities in Varna district maintained higher rates for almost all local taxes and fees in 2016, too. The greatest difference from national average values could be noticed in the annual license tax for retailers, which kept its highest rate in Varna municipality – 20 BGN/sq. m. The lowest rate was in the municipality of Vetrino – 4 BGN/sq. m.

The average waste collection charge for properties of legal entities in the district's municipalities is the only one lower than the country average. It is lowest in the municipality of Avren (3.0‰) and highest in Dalgopol (9.2‰).

Administration

The district had inconsistent results in this category. On one hand, in 2016 municipalities rated themselves lower than the national average on electronic government: 2.4 points out of 5, while the country average was 2.7 points. On the other hand, the rating for offering one stop-shop services (3.0 points), though declining in 2016, remained above the national average of 2.6 pp.

Municipal administrations in the district of Varna are more transparent than any other in the country. In 2016, they were rated at 56.6% in the Active Transparency Rating of municipal administrations of the AIP Foundation, while the country average was 54.2%. The municipal administrations of Avren, Axakovo, and Provadia had the highest results – 60%, while those of Valchidol, Dalgopol, and Suvorovo got rates below 40%. At the same time, Varna was rated below the national average in the Local Integrity System Index of Transparency International.

SOCIAL DEVELOPMENT ●●●●●

Demography ●●●●●

The demographic situation in the district of Varna continues to be better than it is nationwide, though here, too, the rate of natural growth has been negative and worsening for several years in succession. In 2015 it was -3.5‰, whereas the national average was -6.2‰. Varna was also one of few districts that attracted population from other districts. In 2015, it had a positive net migration rate of 1.6‰.

A relatively huge part of the district's population lives in towns and cities, though in 2015 the share of urban population fell – unlike the tendency in the last 10–15 years in the district and in Bulgaria. In 2015, 83.5% of the population in the district lived in towns vs. the national average of 73.1%.

Education ●●●●●

After a lasting decline in the enrollment rate of the population in 5th–8th grade, in about a decade Varna turned from a district with relatively high school attendance into the district with the lowest enrolment rate in 2014: 73.5%. In 2015, however, for the first time, an increase in the share of those enrolled was noted and the district's rate reached 75.5% vs. the country average of 73.5%. In addition, the share of dropouts from primary and secondary school is relatively high, and Varna is still among the districts with the fewest teachers relative to the number of students.

High school graduates performed well at state matriculation exams in 2016, too. The district's average grade was 4.38 (vs. 4.17 nationwide), while the share of poor grades was 5.39 and 8.73% respectively.

Universities located in the district placed Varna among the leading districts in terms of number of students relatively to the population in 2015 as well.

Healthcare ●●●●●

The relatively good rating of Varna in this category is due mainly to the access of people to physicians. One general practitioner in Varna corresponds to an average of 1,547 people (vs. 1,619 in the country as a whole), whereas one medical specialist took care of 447 people (vs. 544 nationwide).

Still, the number of hospital beds in general hospitals relative to the district's population is smaller than the national average (175 per 1,000 people and 232 per 1,000, respectively), which suggests that part of the population seeks medical help outside the district.

Security and Justice ●●●●●

Crime is relatively high in the district but there are a great number of criminal judges, which entails a relative low workload for them. That makes the work of criminal judges in the district court relatively fast: up to 93% of cases were closed within 3 months and the share of pending cases was down to 7.2% (vs. the respective national levels of 88.1 and 9.4%).

At the same time, registered crimes remain higher than the country average number relative to the population. In 2015, in the district there were 15.9 crimes against the person and property per 1,000 inhabitants vs. 13.6 in the country. The clearance crime rate in the district rose from 25.8% in 2014 to 30.4% in 2015. Yet, it remains below the average figure for the country – 39.2% in 2015.

Environment ●●●●●

In the district the share of population living in areas with public sewerage systems as well as people who have access to public sewerage systems connected with wastewater treatment plants remained 86.2% in 2014, while reaching the levels of 74.9 and 56.8% respectively, in the country.

The air in the district of Varna continues to be rather polluted. In 2014, the level of carbon dioxide emissions into the atmosphere was 1,106.3 t/m² or almost three times above the national average of 314.5 t/km². Varna is also one of the districts with the greatest volume of household waste relative to the population: in 2014, it reached 546 kg per capita while the national average was 442 kg per capita.

Culture ●●●●●

Varna has the second greatest number of visits to cinemas after Sofia. In 2015 1,185 people per 1,000 inhabitants went to the cinema, while the average number for the country was 744. The number of visits to museums, on the other hand, was half the national average figure: 355 per 1,000 people vs. 664 nationwide. Fewer visits were also registered to theatres and libraries, though theatre visits rose in the district for the fourth successive year to have reached 283 per 1,000 people vs. 302 per 1,000 people in the country.

Library visits in 2015 kept their 2014 level: 350 per 1,000 inhabitants against 583 per 1,000 people in Bulgaria.

Key Indicators for the District of Varna

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	9,950	10,911	11,395	11,235	12,096	n.a.
Average annual income per household member (BGN)	3,735	3,739	4,306	4,912	5,008	5,168
Average annual gross salary (BGN)	7,533	8,144	8,562	8,922	9,272	n.a.
Relative share of people living below the national poverty line (%)	18.9	20.1	23.1	21.9	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	64.9	63.1	64.8	67.0	67.8	72.6
Annual average employment rate of the population aged 15 to 64 (%)	59.4	56.6	54.1	57.8	61.8	68.4
Annual average unemployment rate of the population aged 15 to 64 (%)	8.2	10.3	16.4	13.7	8.7	5.7
Relative share of the population aged 25 to 64 with tertiary education (%)	25.6	25.4	26.0	31.4	33.8	30.6
Number of non-financial enterprises per 1,000 people	71	65	66	66	67	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	2,406	2,299	2,137	2,385	2,323	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	3,292	3,162	3,105	3,005	3,547	n.a.
Relative share of households with internet access (%)	28.1	40.1	51.3	57.1	58.9	57.8
Share of roads in good condition (%)	23.1	36.7	39.0	42.6	43.5	44.4
Share of territory included in cadastral maps (%)	11.1	11.1	11.1	11.4	11.9	17.5

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-1.1	-1.5	-2.1	-2.4	-2.7	-3.5
Net migration rate (‰)	0.3	0.5	-0.2	3.8	2.1	1.6
Average grades at state matriculation exams	4.4	4.5	4.2	4.4	4.3	4.4
Percent of failed students at state matriculation exams ("average" 3.00)	4.0	3.5	5.1	4.7	5.1	5.2
Net enrolment rate of the population in 5th–8th grade (%)	82.7	80.5	78.9	76.9	73.5	75.5
Health insured persons as share of the population (%)	87.9	85.2	84.4	83.2	83.8	85.1
Cases of hospitalization in general hospitals per 1,000 people	163	155	170	178	170	175
Registered crimes against the person and property per 1,000 people	18.7	17.6	18.4	18.5	17.5	15.9
Clearance rates for crimes against the person and property registered during the year (%)	39.4	27.0	26.8	27.0	25.8	30.4
Share of pending criminal cases (%)	5.8	5.7	5.8	8.3	11.3	7.2
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	84.8	85.1	86.1	86.2	86.2	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	1,613.9	1,742.6	1,284.1	974.3	1,106.3	n.a.
Number of visits to cinemas per 1,000 people	1,026	1,159	1,108	1,157	1,193	1,185
Number of visits to theatres per 1,000 people	177	171	179	218	234	283

Veliko Tarnovo District

► Population (2015)	246,394
► Area (sq. km)	4,661.6
► Number of settlements	337
► Share of urban population (%)	69.9

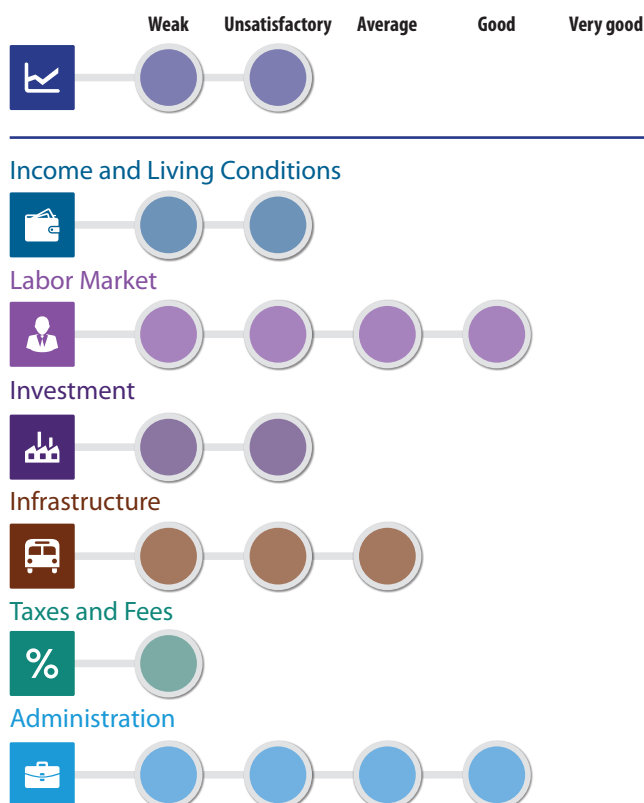


Overview

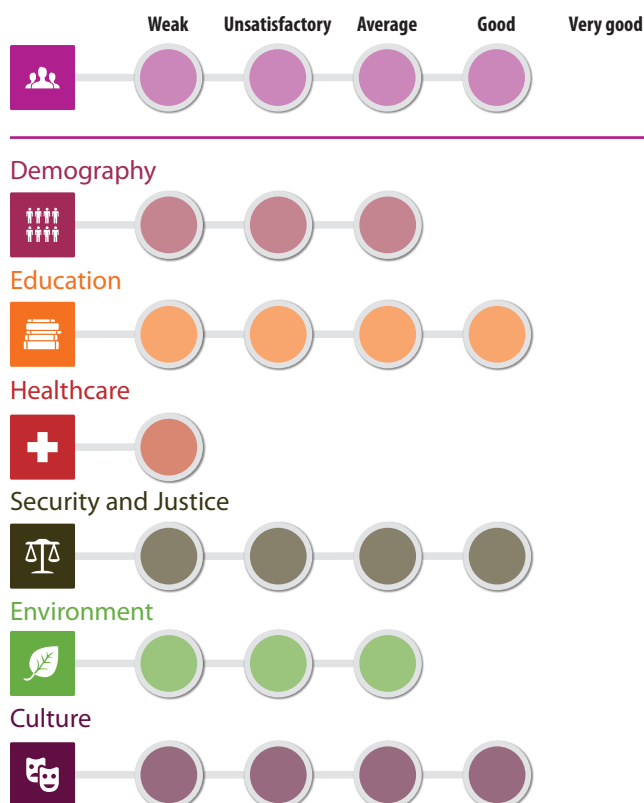
Incomes in Veliko Tarnovo continue to lag behind national average levels. The district's labour market, however, has been quite buoyant in the last two years. What is more, in 2015 it was precisely Veliko Tarnovo that showed the most noticeable rise in employment in the country in comparison with the pre-crisis levels of 2008. Investment, though far beneath average levels, showed an upward tendency in recent years. In 2015, the district surpassed the national average results in electronic government and development of one-stop shop services.

Social development in the district of Veliko Tarnovo is estimated as relatively good. On one hand, demographic processes are still deteriorating and remain considerably less favorable than those in the country as a whole. Healthcare is characterized by a shortage of physicians. The district has achieved relatively high results in education, mostly because of the nationwide significance of the University of Veliko Tarnovo. The district is still a popular destination in cultural and historical tourism. Crime in the district is below the national average, and crime clearance rates are above it.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ●●

Income and Living Conditions ●●

In its economic development, the district of Veliko Tarnovo is lagging behind the average indicators for the country. In 2014, GDP per capita in the district was lower by about 1/3 than the national average: 7,801 BGN vs. 11,600 BGN, respectively.

Incomes in the district are also lagging considerably. In 2010 and 2011 they were almost equal to the national average (96%), while in 2014, after a much slower growth for several successive years, they reached 84% of the national average figure, or an average annual income per household member of 4,180 BGN in the district vs. 5,000 BGN in the country. In 2015, salaries in the district went on rising by 5.5% compared to 2014.

Low incomes continue to place Veliko Tarnovo among the districts with a relatively high percentage of people (30.2%) living below the national poverty line. The share of the population living in material deprivation is also higher than the national average.

Labor Market ●●●●

Veliko Tarnovo is one of the eight districts, where employment in 2015 was higher than the 2008 pre-crisis figures. What is more, the greatest increase in the employment rate of the population aged 15 to 64 occurred precisely in Veliko Tarnovo (additionally enhanced by unfavorable demographic processes). The upsurge on the labor market in the district was also related to the rising economic activity and falling unemployment rates in recent years. In only two years, between 2013 and 2015, unemployment rates shrank more than twice: from 16.2 to 6.8%. The workforce's educational structure is also relatively good. Due to the high percentage of people with higher education, Veliko Tarnovo holds the fourth place among all 28 districts; the share of people with primary or lower education is lower than the national average figure.

Population development and demographic processes in the district remain the chief challenge for the labor market. The ratio of demographic replacement as a ratio of the population aged 15 to 19 to that aged 60 to 64 is the sixth lowest in the country: respectively, 56.8% in the district vs. 63.5% for Bulgaria. That means that for each 100 people who will leave the labor market in the next several years there will be 57 young people joining it.

Investment ●●

The district of Veliko Tarnovo is lagging considerably behind the national average figures in terms of foreign and local investment indicators. The most significant variance is in foreign investment despite its stable rise since 2011. By the end of 2014 cumulative foreign investment in non-

financial enterprises amounted to 439 euro per capita, or nearly 7 times less than the national average value.

At the same time, EU funds utilized by municipalities in the district as beneficiaries of operational programs were above the national average figures: as of May 31st 2016 they were 746 BGN per capita in Veliko Tarnovo, while the average figure was 689 BGN per capita in Bulgaria. The municipalities of Pavlikeni, Svishtov, and Veliko Tarnovo utilized about 1,000 BGN per capita – the highest figure in the district, while Polski Trumbesh and Suhindol reported the lowest utilization figures, under 100 BGN per capita.

Infrastructure ●●●●

The density of the road and railway networks in the district is higher than the average density in Bulgaria but the share of first class roads and motorways remains lower. The share of good quality road surfaces remains exceptionally low as well: it even registered a slight decrease in 2015 compared to 2014. In 2015, less than 27% of roads in Veliko Tarnovo were in good condition while their national average share was 41%.

In 2015 internet access and the share of people who use it rose, slightly exceeded the national average figures.

Taxes and Fees ●

The real estate, vehicle, and property transfer taxes are higher in the district of Veliko Tarnovo than their national average rates. In comparison with 2012, not a single tax rate was lower in 2016 though national average rates went down. The immovable property tax rate, 2.22 % on the average in Veliko Tarnovo district, registered the biggest variance with the national average of 1.86%. The highest rates of this type of tax in the district are those in Veliko Tarnovo and Pavlikeni – 2.50%.

Administration ●●●●●

Data on the development of electronic government and one-stop shop services in the district showed some improvement in 2015 compared to 2014. It was in 2015 that the district achieved better results than the national average, which registered a slight decline in comparison with 2014.

The district's municipalities revealed slightly better results than the national average values in the Local Integrity System Index, yet Veliko Tarnovo's rating by AIP Foundation's Active Transparency Rating of local administrations in 2016 continued to go down for a second successive year, staying below the national average figure.

SOCIAL DEVELOPMENT ●●●●●

Demography ●●●●●

The demographic picture in the district remains considerably less favorable than it is in the country as a whole. The ratio between people over 65 and those of working age (15 to 64), as well as that between adults and children aged 0 to 14 has been increasing at a faster rate than the average for the country during the last 10 years.

These trends are due both to the low rate of natural increase and the negative net migration of the population. Between 2002 and 2008 – before the crisis set in – Veliko Tarnovo was one of the few districts with a positive, though relatively low, net migration rate, but economic processes in the district led to a sizeable and lasting emigration.

Education ●●●●●

Though the number of college and university students in Veliko Tarnovo fell by over 10% in 2015, the district still has the highest number of students – 97 per 1,000 inhabitants (vs. the national average of 36 per 1,000 people). That fact contributes to the relatively high share of people with higher education among the population of working age, which in turn, is a favorable factor in the post-crisis recovery of the labor market.

In the area of secondary education, the values for the monitored indicators in the district are comparable with those in the country. High school graduates in the district were given an average grade of 4.10 (vs. the national average of 4.17) at the matriculation exam in Bulgarian language and literature, whereas those with failing grades were 8.56% (vs. the national average figure of 8.73%). The share of primary and secondary school dropouts in the district is still above the national average: 3.25% vs. 2.8%, respectively, in 2014.

Healthcare ●●●●●

Healthcare in the district is still suffering from a shortage of doctors, both general practitioners and specialists. The variances are particularly significant in terms of doctors in specialties on the highest demand: 785 people per specialist with the national average being 544.

For two successive years, Veliko Tarnovo was the district with the lowest number of health-insured people: 84.5% in the district vs. 88.5% in the country in 2015. Veliko Tarnovo is also among the districts with the lowest number of hospital beds in general hospitals. The low capacity and the shortage of doctors are probably the reasons behind the relatively low number of hospitalizations. The latter seems determined not so much by lower morbidity but by the fact that patients may be looking for health

services outside the region. Another sign of deteriorating healthcare is the rapid rise in infant mortality: from 4.1‰ in 2014 to 9.8‰ in 2015.

Security and Justice ●●●●●

The district performed relatively well with regard to indicators for both security and justice in 2015. The workload of judges was relatively low (6.6 cases a month per judge vs. 8.3 cases as national average), while the share of criminal cases closed within 3 months (94%) is higher than the national average (88%).

The number of registered crimes against the person and property has traditionally been lower in Veliko Tarnovo – 11.4 per 1,000 people vs. the national average of 13.6 per 1,000 in 2015. Their clearance rate is also higher (57.5%) compared to the national average rate of 39.2%.

Environment ●●●●●

The share of people with access to public sewerage systems (66.8%), as well as the share of those with access to sewerage systems connected to WWTPs (44.8%), is still lower than the national averages of 74.9 and 56.8%, respectively. A possible explanation is the great number of scattered small villages in the district. The level of carbon dioxide emissions in the district stay considerably lower than the average pollution rates in the country: 131.1 t of harmful emissions per sq. km compared to 315 t/sq. km in the country.

Culture ●●●●●

In cultural terms, the district is rated 'good' because of the high number of visits to libraries and museums. The latter were visited by almost 500,000 people in 2015, the second highest number of visits after the capital. Relative to the population, this means 1,988 visits per 1,000 people – nearly three times the national average rate.

In terms of library visits, the district again ranked second after the capital with the total number of 450,000 visits, but it ranked first relative to the population. One of the possible reasons is the large number of college and university students in the district.

In terms of theatre and cinema visits, however, the district lagged behind the national average figures for 2015. There were 444 visits to cinemas per 1,000 people in Veliko Tarnovo vs. 744 in Bulgaria, while theatre visits were 71 per 1,000 people, and 302 per 1,000 people, respectively.

Key Indicators for the District of Veliko Tarnovo

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	6,512	7,059	7,335	7,758	7,801	n.a.
Average annual income per household member (BGN)	3,502	3,648	4,043	4,385	4,288	4,180
Average annual gross salary (BGN)	6,119	6,488	6,742	7,262	7,662	n.a.
Relative share of people living below the national poverty line (%)	36.8	24.5	18.5	30.2	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	59.7	61.6	63.9	65.5	68.1	69.8
Annual average employment rate of the population aged 15 to 64 (%)	51.8	54.3	55.0	54.8	60.0	65.0
Annual average unemployment rate of the population aged 15 to 64 (%)	13.1	11.7	13.8	16.2	11.7	6.8
Relative share of the population aged 25 to 64 with tertiary education (%)	23.0	21.5	23.5	26.6	27.3	26.9
Number of non-financial enterprises per 1,000 people	40	39	40	40	41	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	980	1,516	1,482	1,576	1,541	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	246	284	331	359	439	n.a.
Relative share of households with internet access (%)	29.6	45.0	41.0	46.6	55.0	60.7
Share of roads in good condition (%)	55.7	30.2	23.6	25.7	27.7	26.7
Share of territory included in cadastral maps (%)	6.0	6.0	6.0	6.0	6.7	10.4

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-7.9	-7.9	-7.9	-6.9	-8.2	-8.2
Net migration rate (‰)	-6.8	-2.0	-3.0	-2.7	-5.2	-3.1
Average grades at state matriculation exams	4.2	4.4	4.2	4.3	4.2	4.2
Percent of failed students at state matriculation exams ("average" 3.00)	5.7	5.6	6.2	6.6	5.5	6.2
Net enrolment rate of the population in 5th–8th grade (%)	79.7	82.3	81.4	80.6	78.7	78.2
Health insured persons as share of the population (%)	80.9	84.2	83.3	82.2	83.1	84.5
Cases of hospitalization in general hospitals per 1,000 people	137	139	142	147	149	146
Registered crimes against the person and property per 1,000 people	13.6	14.2	13.2	11.8	10.7	11.4
Clearance rates for crimes against the person and property registered during the year (%)	49.4	58.4	62.5	61.6	60.1	57.5
Share of pending criminal cases (%)	7.7	8.4	8.6	7.4	8.0	9.5
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	41.2	43.9	44.2	44.5	44.8	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	186.6	157.2	119.2	148.6	131.1	n.a.
Number of visits to cinemas per 1,000 people	350	376	340	396	471	444
Number of visits to theatres per 1,000 people	55	67	102	123	122	71

Vidin District

► Population (2015)	92,298
► Area (sq. km)	3,032.9
► Number of settlements	143
► Share of urban population (%)	63.7

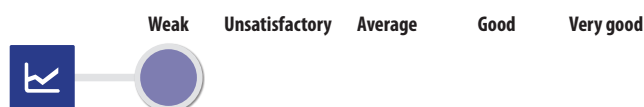


Overview

Vidin is one of the economically least developed districts in the country. Despite the positive change in the labor market in the previous year, salaries and living standards have stayed low. High EU fund utilization rate fails to compensate for the scanty private investment; what is more, suspicions of embezzlement have arisen around one of the main projects. Low rates of local taxes and fees are not enough to create a good business environment, while the unsatisfactory infrastructure and the lagging development of administrative services work against it. Vidin is the district with the most clearly expressed negative

demographic tendencies in Bulgaria and the only one whose average annual population is already below 100,000 people. The quality of school education is relatively good but the share of dropouts is increasing and the coverage of the educational system is shrinking. There are enough general practitioners in the district, though somewhat insufficient number of specialists. The justice system is relatively efficient but the crime rate rose slightly in the previous year. Vidin remained the single district in the country without a wastewater treatment plant in 2016. Culture activities have gradually become more intensive.

ECONOMIC DEVELOPMENT



Income and Living Conditions



Labor Market



Investment



Infrastructure



Taxes and Fees



Administration



SOCIAL DEVELOPMENT



Demography



Education



Healthcare



Security and Justice



Environment



Culture



ECONOMIC DEVELOPMENT ●

Income and Living Conditions ●

Vidin is one of the districts with the lowest GDP per capita: 6,034 BGN vs. the national average of 11,574 BGN. The low rate of economic development has affected the size of incomes as well. In 2014 the average annual salary of employed in the district was 6,663 BGN, which is nearly 1/3 lower than the national average. In 2015, the average annual income per household member was lower only in Montana, Kardjali, and Silistra. Incomes from salaries were barely 45% of the total income of an average household in the district vs. 57% for the country.

In recent years, the share of the population living below the national poverty line gradually decreased, but still remaining nearly twice higher than the national average (38.1 and 21.1%, respectively). The share of people living in material deprivation was 38.4% vs. 33.1% in Bulgaria.

Labor Market ●●●

In the last few years, the state of the labor market has gradually been improving in the district of Vidin. Though unemployment grew to reach 22.2% in 2014, the chief catalyst of this process was not the loss of jobs but the rising economic activity of the working age population.

The employment rate of the population aged 15 to 64 reached 58.8% in 2015. Though the figure was lower than the national average (62.9%), it was a record high for the district itself in the last 15 years. The only district in the Northwestern region with a higher share of employed people of working age is Pleven (61.2%).

The improving demographic replacement ratio and the growing share of people with higher education in the workforce in the last two years precondition the continuation of these positive tendencies, provided that new jobs continue to be created.

Investment ●●

Vidin is one of the districts with the smallest number of non-financial enterprises relative to the population. In 2014, company expenditures on the acquisition of fixed tangible assets reached 87 m BGN, one of the highest figures in the last 15 years. Still, Vidin, Montana, and Pernik are the only three districts with less than 1,000 BGN per capita in FTA acquisition. After a certain rise between 2009 and 2012, foreign direct investment in the district shrank by almost 10 m euro in the last two years.

At the same time, Vidin (alongside Gabrovo, Lovech, and Burgas) is one of the four districts with the highest EU fund utilization rates. There are doubts, however, that some of Vidin municipality's leading projects have been subject to EU funds misuse. On the whole, municipalities in the dis-

trict have absorbed a total of 92.6 m BGN as beneficiaries of EU operational programs. The municipalities of Vidin and Belogradchik have achieved the highest utilization rates, while those of Novo Selo and Gramada have the lowest, the latter being the single municipality in Bulgaria with no funds utilized as a beneficiary of EU operational programs.

Infrastructure ●●

Despite some positive trends in recent years, infrastructure development in the district of Vidin has lagged behind the national average levels.

Road network density in the Vidin district (20.3 km per 100 sq. km) is higher than the national average (17.8 km per 100 sq. km). Yet, the share of first class roads is only 12% (vs. 18% nationally), while the share of road surfaces in good condition is lower than the national average of 40.7% by 8.4 pp.

In 2015, less than half of the households in Vidin district (48.0%) had internet access and fewer than half the people aged 16 to 74 (49.0%) used the internet during the year. The national average figures for that year are 59.1 and 60.3%, respectively.

Taxes and Fees ●●●●●

Most local taxes and fees in the district's municipalities are relatively low. This is the fifth successive year when the annual license tax for retailers in the district has been the lowest in the country. The same holds true for the vehicle tax since 2016.

The only municipality that raised the rates of local taxes and fees in 2016 is that of Belogradchik, where the immovable property tax for legal entities and the household waste collection fee were raised.

Administration ●

Vidin is the district rated lowest in this category. The district holds the last, 28th place in the country for active transparency of local administrations in the AIP Foundation rating. In the Local Integrity System Index of Transparency International it ranks 26th among all the 28 districts of Bulgaria. The municipal administrations' self-evaluation shows that the development of electronic services and one-stop shop services hold some of the lowest rankings in the country.

In 2015, cadastral map coverage was already 8.2% of the district's territory (2.1% the previous year) but coverage remains far below the national average rate of 19.8%.

SOCIAL DEVELOPMENT ●

Demography ●

Vidin is the district with the most clearly expressed negative demographic trends in the country and it is the only one with annual average population below 100,000 people. Since 2011 Vidin has been one of the four districts where for every person aged 14 or less there are over two persons aged 65 or more. The other districts with similar trends are Gabrovo, Kyustendil, and Pernik. If current trends continue, as early as 2017 there will be a ratio of two persons aged 65 or more to one person of working age (15 to 64).

Having in mind the population's unfavorable age structure it is no surprise that Vidin is the district with the least favorable natural growth rate (−16.7‰ in 2015 vs. −6.2‰ for the country). The net migration rate is also negative: every year there are more people leaving the district than people settling in it.

The district is somewhat sparsely urbanized: in 2015, 63.7% of the population lived in urban areas vs. the average 73.1% for the country.

Education ●●

In recent years, there has been deterioration in some of the indicators characterizing the coverage of the educational system. The relative share of dropouts from primary and secondary education reached 4.0% in the 2014/2015 school year, which is the sixth highest rate after those of Dobrich (5.0%), Targovishte (4.9%), Sliven (4.8%), Pazardjik (4.5%), and Razgrad (4.3%). The net enrolment rate in 5th to 8th grade continued to fall in the 2015 /2016 school year, while the share of repeaters went on rising.

Despite these negative trends, the quality of school education in the district is relatively good. In 2016, the average grade at the matriculation exam in Bulgarian language and literature for high school graduates in the district of Vidin was good 4.20 – a figure close to the national average, similar to those in recent years. The share of failing grades at the same exam (6.1%) was lower than the national average of 8.7%.

Vidin is one of the five districts in the country, where there are no higher education institutions.

Healthcare ●●●

Vidin is one of the districts with the best rate of GPs relative to the local population. Yet, there has been noted a certain shortage of medical specialists. The latter, together with the low rate of hospital beds relative to the population, accounts for the small number of hospitalizations in general hospitals in the district.

In 2015, the district registered the lowest infant mortality rate: 5.3‰ compared to over 10‰ in the period 2012–

2014. Health-insured were 91.5% of the local population vs. 88.5% on average for the country.

Security and Justice ●●●●

In 2015, the share of pending criminal cases fell to 7.9%, which is below national average levels for the first time since 2009. This was probably due to the continuing decline in criminal judges' workload. In 2015, each criminal judge at the district court had 4.9 cases per month on average vs. the national average workload of 8.3 cases per month. 92% of the criminal cases were closed within three months (vs. 88.1% nationally).

In 2015, there were registered 14.4 crimes per 1,000 people, while the national average figure was 13.6 crimes per 1,000 people. However, this was the case only during the last two years of a ten-year period, when the crime rate in the district went over the average levels. The share of solved crimes rose for a second successive year to reach 38.1%, but the clearance rate was still lower than the national average of 39.2%.

Environment ●

The construction of the first WWTP in the district of Vidin started in 2014 but the project was terminated because of suspected misuse of EU funds. That is why in 2016 Vidin is still the single district in Bulgaria without a working WWTP. The relatively low rate of urbanization in the district is an obstacle to the faster growth of the population's connectedness to public sewerage systems. In 2014, 56.8% of the population lived in areas with public sewerage systems vs. the national average figure of 74.9%.

The air in Vidin district is relatively clean. The level of carbon dioxide emissions into the atmosphere is 142.9 t/sq. km (vs. 314.5% for the country).

Culture ●●●

Cultural life is relatively active in the district of Vidin: there are only three districts in northern Bulgaria (Ruse, Veliko Tarnovo, and Gabrovo) that have been rated higher than Vidin in this category.

The number of visits to the local libraries, theatres and museums is higher than the national average. Since 2014 going to the cinema has also become an option in the district, registering a growing number of visits: 34,400 in 2015 compared to 13,000 in 2014. Thus, the number of registered visits to cinemas reached the number of visits to local theatres in only two years. Relative to the local population, this means 373 visits per 1,000 people vs. 744 visits per 1,000 people in Bulgaria.

Key Indicators for the District of Vidin

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	5,112	5,471	5,565	5,876	6,034	n.a.
Average annual income per household member (BGN)	2,794	3,052	3,615	3,614	4,383	3,677
Average annual gross salary (BGN)	5,422	5,532	5,855	6,195	6,663	n.a.
Relative share of people living below the national poverty line (%)	45.5	42.1	39.1	38.1	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	57.5	62.5	63.2	67.5	71.0	72.3
Annual average employment rate of the population aged 15 to 64 (%)	50.0	50.0	52.2	55.6	55.3	58.8
Annual average unemployment rate of the population aged 15 to 64 (%)	13.1	19.8	17.4	17.7	22.2	18.8
Relative share of the population aged 25 to 64 with tertiary education (%)	18.9	18.1	15.7	14.6	17.2	21.5
Number of non-financial enterprises per 1,000 people	33	32	32	32	32	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	492	874	1,156	692	925	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	312	329	622	628	560	n.a.
Relative share of households with internet access (%)	27.7	46.6	33.7	44.0	45.4	48.0
Share of roads in good condition (%)	43.4	30.0	29.4	32.3	34.2	32.3
Share of territory included in cadastral maps (%)	2.1	2.1	2.1	2.1	2.1	8.2

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-14.8	-15.2	-16.0	-14.3	-15.2	-16.7
Net migration rate (‰)	-6.2	-1.9	-3.8	-7.1	-7.0	-6.3
Average grades at state matriculation exams	4.3	4.5	4.1	4.2	4.2	4.2
Percent of failed students at state matriculation exams ("average" 3.00)	3.6	1.9	8.3	4.8	3.7	6.1
Net enrolment rate of the population in 5th–8th grade (%)	77.8	80.4	80.0	79.2	78.4	77.9
Health insured persons as share of the population (%)	86.7	89.8	89.1	88.4	89.8	91.5
Cases of hospitalization in general hospitals per 1,000 people	143	150	148	162	166	168
Registered crimes against the person and property per 1,000 people	17.5	15.1	13.9	14.5	13.8	14.4
Clearance rates for crimes against the person and property registered during the year (%)	49.3	42.2	35.5	34.5	36.1	38.1
Share of pending criminal cases (%)	8.2	10.5	10.0	10.0	13.1	7.9
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	0.0	0.0	0.0	0.0	0.0	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	231.7	231.7	245.5	142.9	142.9	n.a.
Number of visits to cinemas per 1,000 people	0	0	0	0	138	373
Number of visits to theatres per 1,000 people	238	257	280	336	342	382

Vratsa District

► Population (2015)	173,588
► Area (sq. km)	3,619.8
► Number of settlements	128
► Share of urban population (%)	57.8

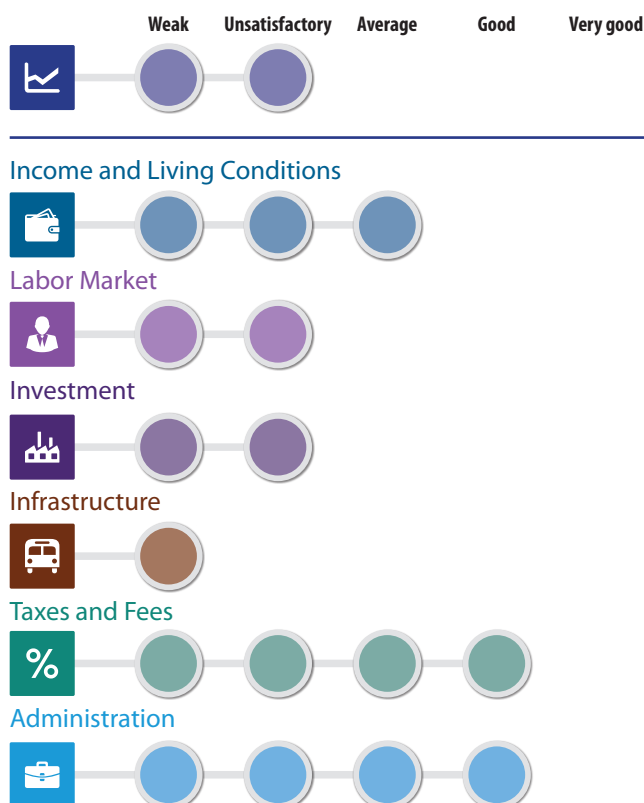


Overview

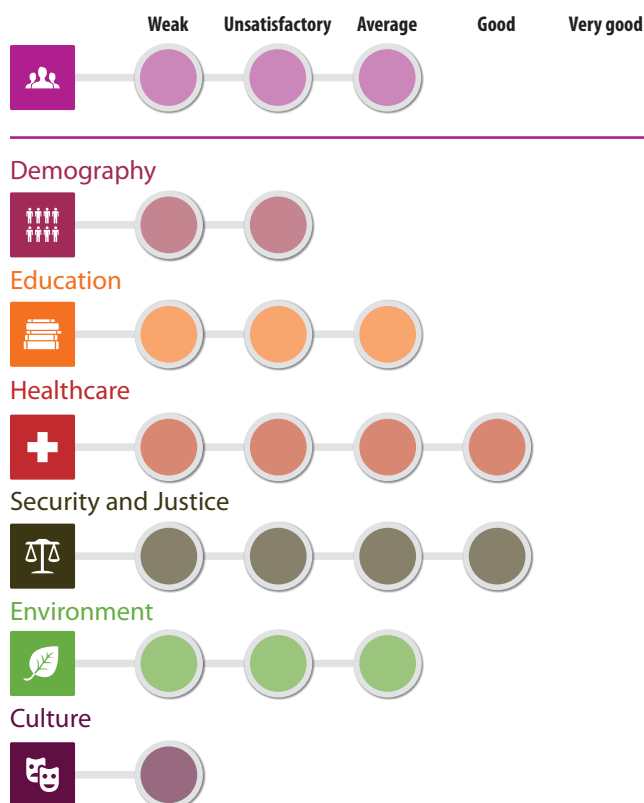
In 2015, the labor market of the district of Vratsa remained in deep crisis, with unemployment rate being the fourth highest nationwide and employment rate being the second lowest in the country. This had a negative effect on incomes and living conditions, still low in the district. The district achieved a relatively high rate of utilization of EU funds but the outflow of foreign investment has continued. Infrastructure is not well developed: only 15% of the roads in the district are in good condition. Administrative services are

relatively good but local taxes and fees are gradually rising. Vratsa is among the districts with most rapidly declining population. The greater number of indicators for the state of the educational system and healthcare are close to national average figures. Despite the relatively high crime rate, the clearance rate is high and the work of the district's court is relatively speedy. Vratsa is lagging behind in public sewerage system development and in WWTP construction. Cultural life is characterized by a low intensity.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ●●

Income and Living Conditions ●●●●

In 2014, GDP per capita was 9,494 BGN vs. the national average of 11,574 BGN. Thanks to the high salaries in the “Kozlodui” nuclear power plant there were only two districts in the country where the average annual gross salary was higher than that in Vratsa (9,861 BGN in 2014). These were Sofia (13,542 BGN) and Stara Zagora (10,035 BGN). Nevertheless, the district’s living standard is low because of its unfavorable age structure and low employment rate. In other words, it is a relatively small part of the population, which gets high salaries. The share of both the population living in material deprivation (42.7%) and that of people living below the national poverty line (27.1%) remain higher than the national average figures of 33.1 and 21.9%, respectively.

Labor Market ●●

In 2015, the labor market in the district of Vratsa remained in deep crisis. Though economic activity has been traditionally low, in 2015 it registered yet another decline to 61.0% vs. the national average of 69.3%. The only district with a lower employment rate than that of Vratsa (50.3%) was Silistra (49.2%). The unemployment rate slightly declined to 17.7% in 2015, staying almost twice as high as the national average. Higher unemployment rates were registered only in Vidin, Silistra, and Shumen.

The workforce educational profile deteriorated in 2015 – the most alarming fact being the rising share of people with primary or lower education for a second successive year. In 2015, this share reached 22.2% (vs. the national average of 18.1%). People with higher education comprise 21.1% of those aged 25 to 64 (vs. the national average of 27.5%).

Investment ●●

At the end of 2014, the cumulative foreign direct investment fell to 138 m euro – the lowest value since 2007. Relative to the number of people, that makes 795 euro per capita, which is almost 4 times lower than the national average levels. However, in 2013 and 2014, FTA acquisition expenditure rose, reaching 2,152 BGN per capita in 2014 – thus exceeding the previous peak of 1,909 BGN per capita in 2010.

Municipalities in the district are doing relatively well in terms of EU fund utilization: 161.5 m BGN as of May 31st 2016. Relative to the population this is 930 BGN per capita compared to 689 BGN per capita on average in the coun-

try. The municipalities with the highest utilization rate are Mezdra (1,414 BGN per capita) and Vratsa (1,227 BGN per capita), whereas the municipality with the lowest rate is Borovan (43 BGN per capita).

Infrastructure ●

Though road density is close to the national average (17.8 km per 100 sq. km), the share of motorways and first class roads is low: 10.3% in 2014 vs. the country average of 18.1%. Road surface quality keeps deteriorating: only 15.0% of it was in good condition in 2015, which is the lowest percentage in Bulgaria. Vratsa was also the district with the lowest share of households with internet access and the second lowest share of persons to use it in 2015. The respective figures for the district were 31.1 and 30.2% – about two times below the nation’s average level.

Taxes and Fees ●●●●●

The level of local taxes and fees in the district’s municipalities is more or less favorable though in 2016 five cases of raised rates were registered. The vehicle tax was raised in the municipalities of Mizia and Oriahovo (from 1.1 BGN/kW to 1.43 and 1.26 BGN/kW, respectively), while the waste collection fee for properties of legal entities was raised in Oriahovo and Byala Slatina. The immovable property tax for legal entities rose from 1.5 to 2‰ in the municipality of Mizia. The latter is also the single type of tax, whose average rate in Vratsa is higher than nationwide.

Administration ●●●●●

The self-rating of municipal administrations shows that their readiness for one-stop shop services and the development of electronic government have reached higher levels than the country average figures. The rating by the AIP Foundation and Transparency International concerning the transparency of the local administration and the integrity system are lower, but close to the national average. Vratsa is still among the districts with the lowest coverage of its territory by cadastral maps: 7.1% in 2015 vs. 19.8% national average level. Lower levels have been registered only in the districts of Kardzhali (3.4%), Haskovo (3.8%), Pernik (4.5%), and Targovishte (6.0%).

SOCIAL DEVELOPMENT ●●●●

Demography ●●

Vratsa is one of the districts where the negative consequences of the demographic crisis in the country are most clearly visible. Between 2001 and 2015 the district's population declined by 31.4% – Vidin was the only district with a greater drop of 32.2%. The deteriorating age structure of the population has entailed an ever diminishing natural growth rate that reached -11.3‰ in 2015, or nearly two times worse than the country average. During each of the last 15 years, a greater number of people have left the district than settling in it. In 2015 worse net migration rate than the one of Vratsa was registered only in the districts of Smolyan and Razgrad. Urbanization is relatively low in the district – in 2015, 57.8% of the district's population lived in towns vs. 73.1% for the country.

Education ●●●●

The educational system in the district achieved results close to the country average figures. Though the enrolment rate of the population in 5th–8th grade was the second highest in Bulgaria (84.4% in the 2015/2016 school year), the share of repeaters (1.2%) and those of dropouts in primary and secondary education (1.0 and 2.8%, respectively) were less favorable than the country average figures. The quality of education in terms of the matriculation exam results is slightly lower than that in the remaining districts. A certain increase in the share of those who failed at the exam has been observed. It went up from 3.6% in 2013 to 10.8% in 2016. The number of students going to college and university in the district doubled since 2011 to reach 867 in 2015.

Healthcare ●●●●●

Healthcare services achieved better results in Vratsa than in most other districts. The number of hospital beds in general hospitals relative to the population reached 4.7 beds per 1,000 people in 2015 – the most favorable ratio for this indicator since 2001. However, this is due exclusively to the decrease of the population. The population morbidity is close to average and the infant mortality rate fell from 8.7‰ in 2014 to 6.4‰ in 2015 vs. 6.6‰ average for the country. The share of health-insured people was also higher than the average for Bulgaria (88.5%), reaching 90.8% in 2015. That was largely due to the rapidly ageing population and the fact that the share of health-insured people among the elderly is close to 100%. Despite the good values of these indicators, the ratio between both GPs and medical specialists and the population is worse than the average

figure for Bulgaria. This can be explained with the proximity of Vratsa to districts with traditionally good healthcare such as Pleven and Sofia (capital city).

Security and Justice ●●●●●

Though crime rates are relatively high in the district, the local judiciary and law enforcement bodies have achieved good results in their work. The clearance crime rate increased in the last two years to reach 51.1% in 2015, considerably above the national average (39.2%). The share of criminal cases closed within three months reached 95% (vs. the national level of 88.1%), whereas the number of pending cases was only 5.2% (vs. 9.4% nationwide). These good indicators for the efficiency of the judicial system were probably due to both the high clearance rate for crimes and the relatively low workloads of penal judges in the district court. In 2015, they had 6.2 cases per month, while the national average figure was 8.3 cases per month.

Environment ●●●●●

Air pollution is relatively low in the district of Vratsa. The levels of carbon dioxide emissions of 110.8 t/sq. km of the territory are almost three times lower than the average for Bulgaria. Vratsa is also one of the districts with less household waste collected per capita: 290 kg/person, compared to the average 442 kg/person in the country. The development of wastewater collection and treatment infrastructure, however remains relatively slow in the district. In 2014, 55.6% of the population lived in settlements with public sewerage systems; 32.3% of the population had access to systems connected to wastewater treatment plants, while the country average levels were 74.9 and 56.8% respectively.

Culture ●

Cultural life in Vratsa is not intensive: only the number of visits to libraries comes close to the average levels for Bulgaria. Contrary to the national trends, interest in museums is gradually diminishing. In 2015, the number of visits to cinemas tripled compared to the previous year, reaching 9,600, which means 55 visits per 1,000 people. Among the districts with cinema houses, the rate was lower only in Razgrad – 29 visits per 1,000 people.

Key Indicators for the District of Vratsa

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	7,867	8,815	9,256	8,361	9,494	n.a.
Average annual income per household member (BGN)	3,798	3,395	3,723	4,108	4,234	4,426
Average annual gross salary (BGN)	8,509	8,657	9,231	9,383	9,861	n.a.
Relative share of people living below the national poverty line (%)	21.2	30.5	28.5	27.1	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	58.5	59.3	57.9	61.3	64.4	61.0
Annual average employment rate of the population aged 15 to 64 (%)	53.2	53.7	52.4	52.1	52.9	50.3
Annual average unemployment rate of the population aged 15 to 64 (%)	8.6	9.3	9.4	14.9	18.1	17.7
Relative share of the population aged 25 to 64 with tertiary education (%)	20.0	18.0	18.2	20.4	22.1	21.1
Number of non-financial enterprises per 1,000 people	33	31	32	32	33	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	1,909	1,555	1,474	1,625	2,152	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	916	929	834	892	795	n.a.
Relative share of households with internet access (%)	27.0	34.5	45.8	48.2	38.5	31.1
Share of roads in good condition (%)	28.6	29.3	26.7	17.9	21.2	15.0
Share of territory included in cadastral maps (%)	7.1	7.1	7.1	7.1	7.1	7.1

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-10.4	-9.9	-11.1	-10.1	-10.8	-11.3
Net migration rate (‰)	-6.5	-3.2	-5.8	-7.4	-7.4	-6.9
Average grades at state matriculation exams	4.2	4.3	4.1	4.2	4.3	4.1
Percent of failed students at state matriculation exams ("average" 3.00)	4.2	3.7	6.3	3.6	4.1	7.7
Net enrolment rate of the population in 5th–8th grade (%)	83.7	85.6	85.7	84.6	85.0	84.4
Health insured persons as share of the population (%)	86.0	88.6	88.0	87.4	88.6	90.8
Cases of hospitalization in general hospitals per 1,000 people	170	166	206	227	191	217
Registered crimes against the person and property per 1,000 people	20.8	19.6	18.6	17.5	15.1	15.6
Clearance rates for crimes against the person and property registered during the year (%)	44.8	38.6	37.4	43.7	51.4	51.1
Share of pending criminal cases (%)	2.8	3.3	3.8	3.0	8.1	5.2
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	31.0	32.4	32.4	32.4	32.3	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	110.4	110.4	105.2	91.4	110.8	n.a.
Number of visits to cinemas per 1,000 people	13	13	8	3	17	55
Number of visits to theatres per 1,000 people	118	183	204	232	279	229

Yambol District

► Population (2015)	124,773
► Area (sq. km)	3,355.5
► Number of settlements	109
► Share of urban population (%)	70.1

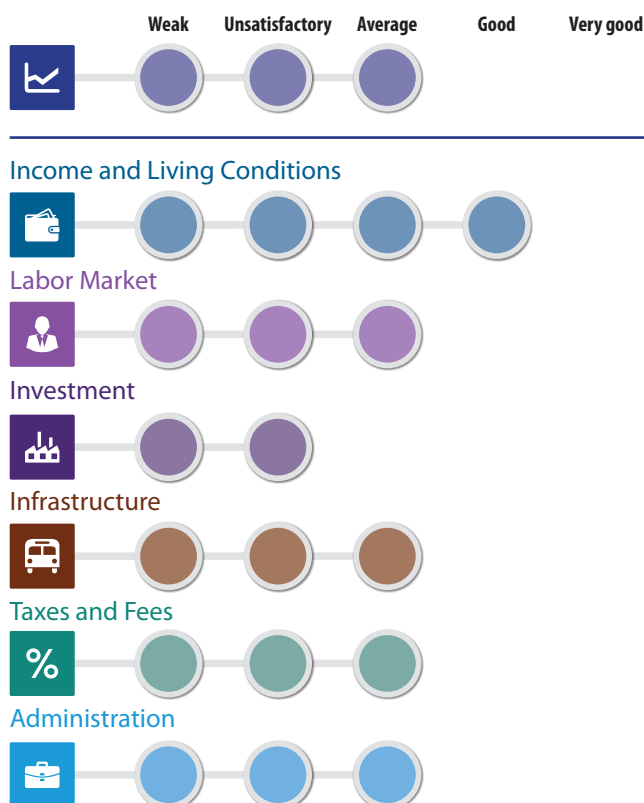


Overview

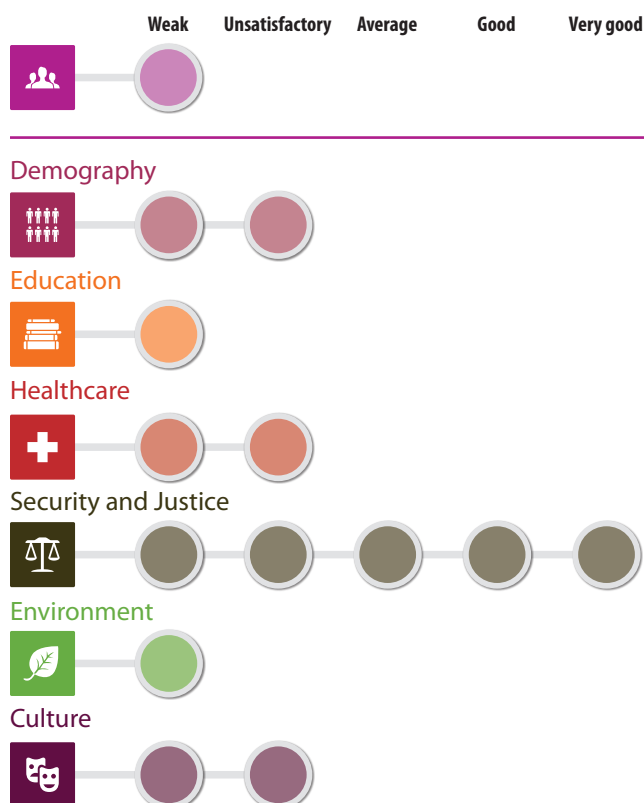
GDP in the district of Yambol remained considerably below the national average level. On the other hand, the variance between incomes and salaries in Yambol and the national average levels increased because of their slower growth in the district. Economic activity in the labor market was relatively high, though unemployment remained above average for the country. Investment stayed low in the district but the local administration has performed well in EU fund utilization. Road surface quality in the district has been considerably higher than the national average.

Population ageing has been more visible in the district than in the country. In 2015, Yambol was the district with the greatest drop in population enrollment in 5th–8th grade, while in 2016 Yambol was for the second year in succession the district with the highest share of poor grades at the matriculation exams in Bulgarian language and literature. Healthcare in the district has suffered from both a lack of doctors and a relatively small number of hospital beds. The small number of crimes entailed low workloads of judges in the district and relatively speedy processing of cases, while clearance crime rate was high.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ●●●

Income and Living Conditions ●●●●

In 2014, GDP per capita in Yambol increased to reach 7,751 BGN per capita but was still considerably below the national average level of 11,574 BGN per capita. Household incomes declined between 2009 and 2011, and then again in 2014, thus lagging behind the national average. In 2015, again, both the share of incomes from salaries (59% vs. 57% nationally) and that from pensions (30% vs. 27% nationally) in the district were above average national levels, which is almost totally at the expense of the share of incomes from self-employment (2% in the district vs. 7% nationally).

Salaries in Yambol went on growing in the last few years, albeit at a slower pace than those in the rest of the country. In 2014, the annual average gross salary of employed people in the district was 7,472 BGN (vs. 9,860 BGN nationally).

Poverty in the district is slightly above the national average: 22.8% of the population lives below the national poverty line.

try). The municipalities of Yambol and Tundzha absorbed most funds (over 1,000 BGN per capita), while that of Elhovo absorbed least (under 100 BGN per capita).

Infrastructure ●●●

Road network density in Yambol district was above the national average, while the density of the railroad network has remained almost twice lower after the Yambol–Elhovo line was closed in 2013. The share of motorways and first class roads is above national average, which predetermines the relatively good quality of road surfaces (52%) in the district vs. the national average of 40.7%.

In 2015, the share of households with internet access as well as that of people to have used it in the past 12 months declined, and they are below national average levels.

Labor Market ●●●

In 2015, economic activity in the district rose to 71.5% (vs. the national average of 69.3%), remaining above national average levels during all the last four years.

Employment in the district (62.8%) also rose in 2015, after two successive years of decline, practically reaching the national average level (62.9%). Unemployment, however, continued to remain above average, though it also declined and reached 12.0% (vs. 9.1% nationally) in 2015.

In 2015, the educational structure of the workforce in Yambol district was more favorable than in the country, which could explain the high level of economic activity and the good level of employment. 29.0% of the population aged 25 to 64 have higher education (vs. 27.5% nationally) while 14.8% have primary or lower education (vs. 18.1% nationally).

Taxes and Fees ●●●

The level of local taxes and fees in the municipalities of Yambol district was comparable to the national average in 2016. The single exception was the annual license tax for retailers as the municipalities maintained relatively lower rates. While in most municipalities in Bulgaria the annual license tax for retailers reached 20 BGN/sq. m, in the Yambol municipality it was 10 BGN/sq. m. The lowest rate in the district was that in Straldzha: 4 BGN/sq. m.

In 2016, the only tax burden change among the monitored local taxes and fees in Yambol district was in the waste collection fee for immovable property of legal entities – in the municipality of Tundzha it was lowered by 0.49‰ to reach 8.01‰.

Investment ●●

Investment is still below average in the district. In 2014, expenditure on the acquisition of FTA rose to 1,741 BGN per capita (vs. 2,786 BGN per capita nationally). The cumulative foreign investment in non-financial enterprises was over 6 times lower. In 2014, it rose slightly to reach 465.6 euro per capita (vs. 3,006 euro per capita nationally).

Local administrations in the district of Yambol continued performing relatively well in EU fund utilization. Contract payments to municipalities in the district as beneficiaries from operational programs as of 31 May 2016 amounted to 909.0 BGN per capita (vs. 688.8 BGN per capita in the coun-

Administration ●●●

The development of electronic government in the district's municipalities has been below average for the second successive year. The rating for the offering of one-stop shop services, however, remains above the national average level, thus the Yambol municipality registering the highest rate of development.

In the Active Transparency Rating of The AIP Foundation for 2016, however, municipalities in the district performed slightly below average levels for the country: 45.6% vs. 54.2% nationally. Transparency in the municipality of Tundzha got the highest rating (51.4%), while those of Straldzha (36.3%) and Bolyarovo (36.9%) got the lowest.

SOCIAL DEVELOPMENT ●

Demography ●●

Similar to previous years, in 2015, age dependence ratios for the district were considerably less favorable than national average ones.

In 2015, the natural growth rate in the district dropped to -9.5‰, reaching its highest negative value so far, still being considerably above the national average rate of -6.2‰. The demographic picture has deteriorated additionally due to the relatively fast rate of out-migration from the district. In 2015, the rate of net migration dropped to -5.8‰, which was still a two times lower value than those in the first years of the crisis (-10, -12‰).

About 70.1% of the population in the district lives in towns vs. 73.1% on average in Bulgaria: a factor, predetermining the relatively low population density.

Education ●

In 2015, Yambol was the district with the greatest decline in the enrolment in 5th–8th grade. The net enrolment rate dropped from 83.5% in 2014 to 78.4%, almost leveling with the national average of 78.3%. Data from the previous year show that the relative share of dropouts from primary and secondary education (2.6%) also increased considerably, but is still more favorable than the national average level of 2.8%. The share of repeaters remains above national average.

In 2016, for a second successive year, Yambol was the district with the highest share of “poor” grades at matriculation exams in Bulgarian language and literature: 16.8% vs. 8.7% nationally. Yambol was also among the districts with the lowest average grade at those exams: “good” 3.87 vs. the national average of “good” 4.17.

Healthcare ●●

Yambol is among the districts with the highest number of health-insured people. On the other hand, healthcare in the district has been suffering both from doctor shortage and from a relatively small number of beds in general hospitals. In 2015, there were 832 people on average per one specialist doctor (vs. 544 for the country). Yet, the number of general practitioners in the district was comparable to the national average. In 2015, the number of beds in general hospitals was still 3.1 per 1,000, a much lower rate than the national average of 4.6 beds per 1,000 people.

The shortage of medical specialists and the number of hospital beds constitute the most likely cause for the relatively small share of hospitalizations in the district’s general hospitals: 157 per 1,000 people in 2015 (vs. 232 per 1,000 people in the country). A likely explanation for this data can be

the assumption that a great number of people seek medical care and treatment outside the district.

Security and Justice ●●●●●

Criminal judges’ workloads were again relatively low in 2015: 6.2 cases per month per judge in Yambol vs. 8.3 cases on average nationally. That fact was reflected in the speediness of closing cases: 91.0% of cases were closed within 3 months (vs. 88.1% nationally); the share of pending cases was 6.3% (vs. 9.4% nationally).

The district of Yambol got relatively high ratings for security, too. For the fifth year in succession the rate of registered crimes in it declined to reach 10.8 per 1,000 people vs. 13.6 per 1,000 people nationally. In 2015, 60.0% of registered crimes against the person and property were solved in the district while the national average rate was much lower (39.2%).

Environment ●

After Vidin, Yambol continues to be the district with the lowest share of population with access to sewerage systems and connectivity to WWTPs. In 2014, it was still 3.6% or over 15 times lower than the national average.

The share of the population living in areas with public sewerage systems (70.4%) in the district was also below the national average of 74.9%.

The air in the district is relative clean: in 2014, the levels of carbon dioxide emissions into the atmosphere were 62.7 t/sq. km vs. 314.5 t/sq. km in the country. The amount of generated household waste (313 kg per person annually) was smaller than the national average of 442 kg per person in 2014.

Culture ●●

Traditionally, theatre visits relative to the population have been considerable in the district: in 2015, they were over 53,000 or 427 per 1,000 people (vs. 302 per 1,000 people nationally).

Cinema visits in the district declined and the variance with average numbers for the country increased. In 2015, 111 cinema visits per 1,000 people were registered in Yambol district vs. 744 per 1,000 people nationally. Museum visits were also relatively few, although they increased in comparison to 2014. Libraries in the district registered 383 visits per 1,000 people or almost twice lower than the national average.

Key Indicators for the District of Yambol

Indicators of economic development	2010	2011	2012	2013	2014	2015
GDP per capita (BGN, current prices)	5,892	6,489	7,086	7,130	7,751	n.a.
Average annual income per household member (BGN)	3,722	3,602	3,814	4,572	4,133	4,437
Average annual gross salary (BGN)	6,034	6,343	6,679	7,111	7,472	n.a.
Relative share of people living below the national poverty line (%)	28.6	19.1	17.9	22.8	n.a.	n.a.
Annual average economic activity rate of the population aged 15 to 64 (%)	68.1	69.7	72.5	71.7	69.4	71.5
Annual average employment rate of the population aged 15 to 64 (%)	58.1	59.9	61.4	59.9	58.8	62.8
Annual average unemployment rate of the population aged 15 to 64 (%)	14.8	13.6	14.9	16.1	15.0	12.0
Relative share of the population aged 25 to 64 with tertiary education (%)	19.2	18.0	22.4	24.2	23.7	29.0
Number of non-financial enterprises per 1,000 people	43	43	43	44	45	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	892	1,624	3,011	1,326	1,741	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	468	522	513	421	466	n.a.
Relative share of households with internet access (%)	27.9	40.7	46.0	44.8	57.2	56.8
Share of roads in good condition (%)	48.0	54.6	54.0	50.3	51.7	52.1
Share of territory included in cadastral maps (%)	16.6	16.6	16.6	16.6	16.6	16.6

Indicators of social development	2010	2011	2012	2013	2014	2015
Rate of natural increase (‰)	-7.4	-7.0	-7.8	-6.5	-7.6	-9.5
Net migration rate (‰)	-11.8	-4.4	-3.8	-5.0	-3.8	-5.8
Average grades at state matriculation exams	4.3	4.5	4.1	4.2	4.1	4.0
Percent of failed students at state matriculation exams ("average" 3.00)	8.4	5.1	10.6	8.5	10.0	15.6
Net enrolment rate of the population in 5th–8th grade (%)	82.2	84.5	83.9	83.0	83.5	78.4
Health insured persons as share of the population (%)	88.1	90.5	89.8	88.8	89.9	91.3
Cases of hospitalization in general hospitals per 1,000 people	155	145	160	168	139	157
Registered crimes against the person and property per 1,000 people	18.6	14.5	12.5	12.2	10.9	10.8
Clearance rates for crimes against the person and property registered during the year (%)	54.8	51.7	53.1	57.0	60.2	60.0
Share of pending criminal cases (%)	6.4	6.7	7.4	10.3	6.6	6.3
Share of the population living in settlements with public sewerage systems, connected to WTP (%)	3.4	3.5	3.6	3.6	3.6	n.a.
Carbon dioxide emissions into the atmosphere (t/km ²)	9.8	10.5	12.9	63.8	62.7	n.a.
Number of visits to cinemas per 1,000 people	83	85	61	59	134	111
Number of visits to theatres per 1,000 people	229	296	278	383	421	427

Methodology

Subject of the Study, Its Spatial and Temporal Scope

The subject of the 'Regional Profiles: Indicators of Development' study is a comparative analysis of districts in Bulgaria. The comprehensive analysis covers the country's entire territory and is based on information about the last sixteen years, for which there is available data on the indicators included in the study. Information for the analysis underlying the regional profiles comes from official statistics as well as data obtained in accordance with the Law for Access to Public Information (LAPI) by 30 June 2016. Any data published after this date has not been included in the analysis.

Information Sources

Information for compiling the 'Regional Profiles: Indicators of Development' study and its regular updates has been provided from two primary sources: official statistics and data obtained in accordance with the Law for Access to Public Information (LAPI).

The main source of official statistics is the national statistical system, more precisely, the National Statistical Institute (NSI). Additional data has been provided by the information systems of the National Social Security Institute (NSSI), the National Centre for Public Health and Analyses (NCPHA), The Ministry of Education and Science (MES), The National Revenue Agency (NRA), and others.

Methodological Approach

The methodology is based on the following main principles:

1. The way of presenting the regional profiles is not by ranking districts but rather by grouping and analyzing specific clusters of districts.
2. A combination of one-dimensional complex metrics and multidimensional methods for regional comparison has been used. That makes it possible to overcome the drawbacks of both one-dimensional and complex metrics, while taking advantage of the strongpoints of multidimensional methods.
3. Neural networks, one of the most advanced methods for regional comparison, have been adopted for grouping and visualizing typical clusters of districts.
4. The selection of indicators and their organization into a system is based on four main groups of arguments: good practices, assessment potential, available information, and analysis of empirical data.
5. The terms, classifications, nomenclatures etc. used are officially and normatively approved.
6. Relative shares, ratios etc. are used instead of the absolute values of indicators to provide comparability between/among districts.
7. Indicators have been standardized to avoid the negative effects of scale, measuring systems etc.

Grouping of Districts

Depending on the static analysis of indicators in each category, district performance has been assessed by means of a five-point scale: from 'poor' (the lowest degree) to 'very good' (the highest degree). Analysis is based on the last year's available data (2015). Data for 2014 or 2013 is used for some indicators where no data for 2015 is available.

Types of Regional Profiles

The methodological approaches in regional comparisons can be summarised in the following three basic types, depending on the use of:

- ▶ One-dimensional metrics,
- ▶ Complex metrics,
- ▶ Multidimensional methods (in particular, neural networks).

A combination of the three approaches has been adopted in this methodology; it allows, on the one hand, overcoming to a great extent the flaws of one-dimensional and complex metrics, and, on the other hand, taking advantage of the benefits of multidimensional methods.

All indicators are standardized by calculating the so called regional index.

For each group in the assessment system of indicators for the regional profiles, the so called complex indicator is calculated; it has the following characteristics:

- ▶ it provides comparability between districts, its values are calculated around the country average.
- ▶ Districts with positive values of the complex indicator are above the country average, and those with negative values – below it.
- ▶ The differences (ratios) between districts for each indicator have been preserved in the variance correction procedure, which ensures non-shifting values when calculating the complex indicator.

The final stage of the combined approach presents the summary result for all indicator groups and all districts in the form of visual clusters with the help of neural networks. In the present edition cluster formation is based on the primary indicator values.

System of Indicators

The selection of indicators is based on their relevance to various aspects of the economic or social profile of the district as well as their interrelatedness and dynamics. A key argument for the choice of indicators is the availability, accessibility, and regularity of published information on the indicators or that of the primary data needed for their calculation. Two main sections result from this: Economic Development and Social Development. Each of the two includes 6 categories characterising the various

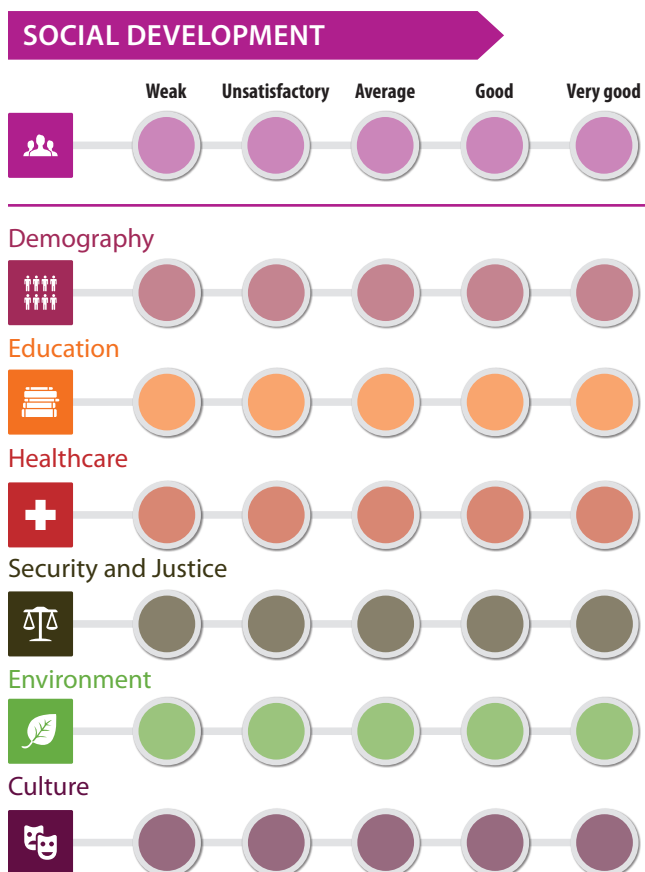
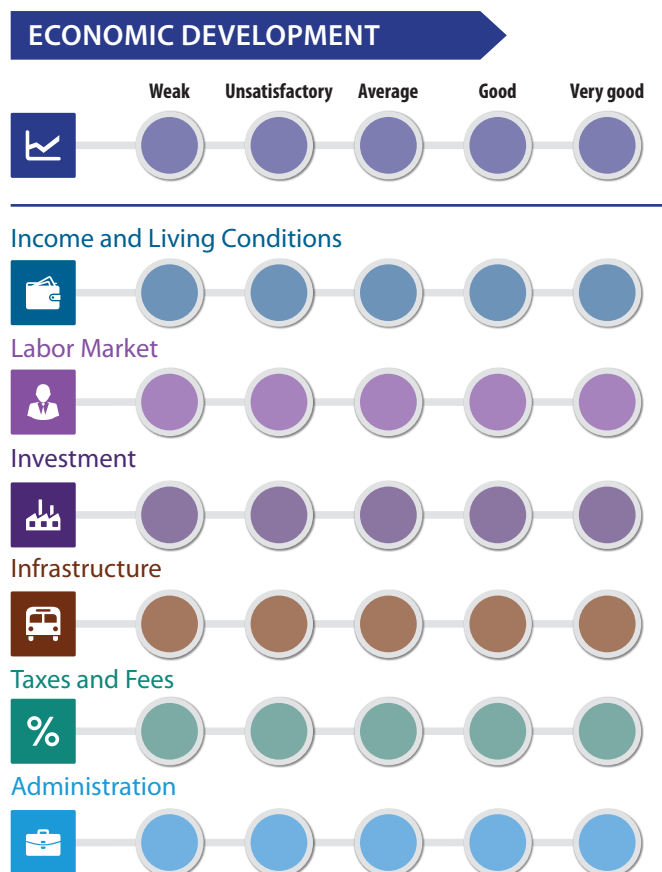
aspects of the social and economic condition and the development of the districts.

Each category contains a set of indicators that give a realistic picture of the state and development dynamics of districts in Bulgaria. The total number of indicators used in the methodology of the study is 63.

This year's study includes 7 new indicators in comparison with last year.

The new indicators in the field of economic development are as follows:

- ▶ *Share of the population living below the national poverty line* (in the "Income and living conditions" category) – this indicator comes to replace Share of the population living below the district's poverty line to allow a more precise comparison between districts.
- ▶ *Relative share of the population aged 25 to 64 with primary or lower education* (in the "Labor market" category) – this indicator provides additional information on the educational characteristics of the workforce in the various districts. Along with this indicator, the "Labor Market" category now includes the indicator entitled Relative share of the population aged 25 to 64 with higher education, which was part of the "Education" section until last year.



- ▶ *Relative share of first class roads and motorways* (in the “Infrastructure” category) – this indicator facilitates a more precise evaluation of the condition and development of roads from the national road network in a given district.
- ▶ *Local Integrity System Index* (in the “Administration” category) – it evaluates the ability of local institutions to counteract corruption at the municipal level. This is the annual ranking of districts’ centres in the annual edition of “Transparency International”, entitled “Local Integrity System Index”.

The new indicators in the field of social development are as follows:

- ▶ *Household waste generated per capita of serviced population* (in the “Environment” category) – the indicator comes to replace the collected waste from previous editions and helps to make a more precise estimate of the pressure put by household waste on the environmental situation in each district.
- ▶ *Number of people per doctor of a leading medical specialty* (in the “Healthcare” category) – this indicator comes to replace the categories Number of people per internist and Number of people per cardiologist. In addition to the latter two types of medical specialists, the new indicator includes pediatricians, surgeons, orthopedic and trauma specialists, urologists, infectious diseases specialists, obstetricians and gynecologists, ophthalmologists, neurologists, psychiatrists, x-ray specialists etc.
- ▶ *Clearance rate for crimes against the person and property registered during the year* (in the “Security and Justice” category) – the indicator allows a more far-reaching estimate of the work of law enforcement bodies and security in the country’s districts.

As a result of the continuing efforts to improve the study’s methodology and the consequent results, some additional changes were made in the indicators used in previous editions:

- ▶ The indicators *Average annual unemployment rate*, *Average annual employment rate*, and *Average annual economic activity rate* now refer to the population aged 15 to 64, not the population aged 15+.
- ▶ The indicator *Expenses on the protection of the environment per capita* (in the “Environment” category) has not been included in this year’s study because district level data are no longer available from the NSI.
- ▶ While the data on the workload and efficiency of district courts used in the previous edition were for 2013, the Supreme Judicial Council’s (SJC) timely publication of the general statistics on the work of courts in 2014 has allowed the present edition to include both 2014 and 2015 data.
- ▶ The data source on the indicators describing the stage of development of e-services and the level of readiness of local administrations to introduce “one-stop shop” service has been changed. In the previous edition information came from municipalities’ reports in the information system for submitting reports on the state of the administration. The present edition goes back to the evaluation method used between 2012 and 2014: i.e., obtaining the necessary information on the basis of submitted requests according to the Law for Access to Public Information to the municipalities themselves. Justification for this methodological choice lies in the greater number of responses received in this manner.

Following is a general table with all indicators included in the two sections as well as the twelve categories of the regional profiles.

Categories of Indicators

ECONOMIC DEVELOPMENT

Income and Living Conditions

Indicator	Description	Period	Unit	Source
Gross domestic product (GDP) per capita	This indicator measures the standard of living in the district and the degree of development of the local economy. The higher GDP per capita the district has, the more indicative this is of a strong local economy and a higher standard of living for local residents.	2000–2014	BGN per capita	NSI
Average annual income per household member	The indicator shows the general welfare and living standard of the local population. For the purposes of this study, we have used the total income, including cash income (salary and wages, pensions, social benefits, transfers from other households, proceeds from sales, etc.) and valued in-kind income.	2001–2015	total income/ person of the household/BGN	NSI
Average annual gross salary	Salary is one of the main sources of household income.	2000–2014	BGN	NSI
Relative share of people living in material deprivation	This is a subjective indicator based on surveys of households on specific indicators of material deprivation. Eurostat methodology has been used. The questionnaire includes difficulties in meeting the costs of housing, ownership of a car or a washing machine, meat consumption, restrictions on heating, etc. A person is defined as living in material deprivation if experiencing deprivation on four of these nine indicators.	2007–2013	%	NSI
Relative share of people living below the national poverty line	A key poverty indicator. It shows the share of people with an equivalent disposable income below the so-called “poverty line”, that is set at 60% of the national median equivalent disposable income.	2007–2013	%	NSI

Indicator	Description	Period	Unit	Source
Annual average economic activity rate of the population aged 15 to 64	The economic activity rate shows what part of the population is employed or actively seeks employment. The economically active population forms the labor force in each district.	2008–2015	%	NSI
Annual average unemployment rate of the population aged 15 to 64	Low levels of unemployment in a district are the sign of a vibrant and job-creating local economic environment.	2001–2015	%	NSI
Annual average employment rate of the population aged 15 to 64	The employment rate is a leading indicator of the labour market showing what proportion of the working age population is actually employed.	2001–2015	%	NSI
Demographic replacement rate (ratio of the number of people aged 15 to 19 to those aged 60 to 64)	The demographic replacement rate shows the ratio of the number of people aged 15 to 19 (who are about to enter the labor market) to those aged 60 to 64 (who are about to leave it). The demographic replacement rate is used as an indicator of the reproductive capacity of the labor force in the country's districts.	2001–2015	%	NSI
Relative share of the population aged 25 to 64 with higher education	A high share of population with higher education in a district creates prerequisites for increased competitiveness, labor productivity, and economic growth.	2004–2015	%	NSI
Relative share of the population aged 25 to 64 with primary or lower education	An indicator of the educational structure of the workforce. The higher the share of people with primary or lower education, the lower the potential of the labor market to fill created new jobs. A lower education level implies lower economic activity, lower productivity, and thus lower incomes.	2004–2015	%	NSI

Indicator	Description	Period	Unit	Source
Number of non-financial companies per 1,000 people	The indicator shows entrepreneurial mindsets and trends in the local economy.	2000–2014	number of non-financial companies/ 1,000 people	NSI
Expenditure on the acquisition of fixed tangible assets per capita	The level of expenditure on the acquisition of fixed tangible assets (FTA) per capita in the district is the leading indicator of investment in the local economy.	2000–2014	BGN/capita	NSI
Foreign direct investment to non-financial enterprises, per capita (cumulative)	The indicator of foreign direct investment (FDI) in nonfinancial enterprises shows the flow of investment to the district and its attractiveness to foreign investors.	2000–2014	EUR/capita	NSI
Utilisation of EU funds by municipalities under operational programmes, per capita	The high rate of utilisation of EU funds under Bulgaria's operational programs creates preconditions for the improvement of regional competitiveness. It is an indicator of the good performance of local administrations, as well as their ability and willingness to improve living and business conditions with the help of EU funds.	to 31.05.2016	BGN/capita	MoF

Indicator	Description	Period	Unit	Source
Road network density	The indicator measures the total length of highways and roads (first, second, and third class) relative to the area of the respective district. The national road network is essential for the transport of passengers and goods in the country. The indicator does not include streets in urban areas.	2000–2014	length of the road network km/100 sq. km. of area	NSI
Railway network density	This indicator represents all railway lines between stations or places indicated as independent points of departure and arrival of trains, carrying passengers and cargo. It excludes the urban railway lines. The greater the density of the railway network in the region, the easier the transportation of passengers and cargo.	2000–2014	length of railways in km/100 sq. km of area	NSI
Relative share of motorways and first class roads	The indicator provides additional information on the characteristics of road infrastructure in a district. A higher share of motorways and first class roads shows a better developed local infrastructure.	2009–2014	%	NSI
Relative share of households with Internet access	Household access to the Internet is indicative of the spreading of new information and communication technologies in the country's districts.	2006–2015	%	NSI
Relative share of people (aged 16 to 74) who have used Internet in the past 12 months	Along with Internet access, the data on the share of people who actually used the Internet during the previous year shows the spreading and utilization of new technologies in the country's districts.	2006–2015	%	NSI
Share of roads in good condition	In addition to road network density, the quality of roads also has significant importance for the infrastructural profile of the districts. This indicator shows the share of roads, the condition of which has been assessed as good by the Road Infrastructure Agency (RIA).	2010–2015	%	RIA

% Taxes and Fees

Indicator	Description	Period	Unit	Source
Immovable property tax for legal entities	Property taxes are the biggest source of own revenue for municipalities. Regarding the business environment and the burden on business, the property taxation of companies plays a major role.	2012–2016	‰	Request for access to information under the Access to Public Information Act
Vehicle tax (commercial and passenger vehicles, 74 kW to 110 kW)	Taxation on vehicles is another major source of revenue for municipalities. This type of tax is a burden mainly on small companies, because the power of vehicles has been chosen so as to be most relevant for such companies.	2012–2016	BGN/kW	Request for access to information under the Access to Public Information Act
Annual license tax for retailers (up to 100 sq.m. of retail space – for most favorable location of the site)	License taxes are a different type of taxation from those mentioned above, placing a burden on particular businesses. License tax for retail trade is selected as the most common and recognizable.	2012–2016	BGN/sq.m	Request for access to information under the Access to Public Information Act
Annual waste collection charge for properties of legal entities	The charge on waste collection is one of the largest sources of own revenue for municipalities, comparable with the revenue from taxes on real estate. The charge on waste is often a heavy burden on businesses, and the differences between various populated areas/municipalities are significant.	2012–2016	‰	Request for access to information under the Access to Public Information Act
Local tax on the sale of immovable property	The size of the local tax on sale of property concerns both external investors and entrepreneurs, entering the local market, as well as established local entrepreneurs trying to expand their operations.	2012–2016	‰	Request for access to information under the Access to Public Information Act

Indicator	Description	Period	Unit	Source
Share of territory included in cadastral map	The low coverage of the cadastral map in a given district is an obstacle to investment, especially when the latter foresees the construction of new sites.	2003–2015	%	GCCA
Active Transparency Rating of local government bodies	The active transparency rating of local government bodies is based on the results of an annual study by the "AIP" Foundation. The study evaluates municipal web pages and electronic submission of requests to various administrative structures. The average score for each district is formed on the basis of the ratings of the municipalitites it consists of.	2014–2016	%	"AIP" Foundation
Level of development of local government e-services	The indicator represents the self-assessment of local governments regarding the degree and scope of the electronic services that they provide. Low ratings indicate a complete lack or rudimentary development of e-services, while high ratings show a capacity of carrying out two-way transactions between the administration and citizens/ businesses.	2013–2016	Rating from 1 to 5	Request for access to information under the Access to Public Information Act
Level of development of one-stop shop services	The indicator represents the self-assessment of local governments regarding their readiness to operate a one-stop shop.	2013–2016	Rating from 1 to 6	Request for access to information under the Access to Public Information Act
Local Integrity System Index	The Local integrity System Index prepared by Transparency International was introduced in 2016 to assess the ability of local institutions to resist corruption at the municipal level. The index is calculated for district centers.	2016	Rating from 1 to 5	Transparency International

SOCIAL DEVELOPMENT

Demography

Indicator	Description	Period	Unit	Source
Age dependency ratio (65+ to 0–14)	The indicator shows the ageing rate in a given district – the higher this indicator, the more clearly expressed the ageing of its population.	2001–2015	%	NSI
Age dependency ratio (65+ to 15–64)	The age dependency ratio shows the ratio of those aged over 65 years who are mostly inactive, and those of working age. The higher age dependency ratio indicates a deterioration of the age structure of the population affecting the labour market, economic growth, etc.	2001–2015	%	NSI
Share of urban population	The share of urban population provides information about the degree of urbanisation of the district.	2001–2015	%	NSI
Population density relative to the area of the settlements and other urban areas	This density indicator gives information about the number of people per unit area. Density is influenced by the rate of natural increase and net migration flows as well as urbanization processes.	2001–2015	number of people/sq. km	NSI
Rate of natural increase	The rate of natural increase is the difference between the number of registered live births and the number of deaths during the year. The indicator shows the increase or decrease of the population of the region per 1,000 people; a positive rate is considered a favourable demographic indicator.	2001–2015	‰	NSI
Net migration rate	The net migration rate shows an increase or decrease of the population per 1,000 people due to migration. The ratios are calculated based on data of the number of persons who have changed their usual residence over the period. Net migration is the difference between immigrants and emigrants to/from a given territorial unit.	2001–2015	‰	NSI

Indicator	Description	Period	Unit	Source
Number of students at colleges and universities per thousand people	The indicator includes students in universities, colleges, and specialised higher education institutions, but does not include students in vocational training after high school. A large number of students in any district is a prerequisite for a better educated local workforce and increases the attractiveness of university towns.	2000–2015	number of university students/ 1,000 people	NSI
Number of teachers at primary and secondary schools per student	The relation between the number of teachers and the number of students in a given district is a standard indicator for measuring the quality of education.	2000–2015	number of teachers/ number of students	NSI
Net enrolment rate of the population (grades 5th through 8th)	The net enrolment rate of the population is calculated as a percentage of number of students in the respective stage of education in age groups relative to the number of population in the same age groups, calculated as of December 31 of the respective year. The number of students in primary and secondary education is established by October 1 of the respective year. The selection of grades 5 through 8 is based on the fact that this is the lowest educational stage, that registers a relatively lower coverage of the education system.	2007–2015	%	NSI
Share of dropouts from primary and secondary education	The share of dropouts from primary and secondary education shows the number of students who prematurely left school that year. The low percentage of dropouts from primary and secondary education is a sign of a well-developed educational system capable of keeping risk students at school.	2000–2014	%	NSI
Relative share of repeaters	The relative share of repeaters shows the number of students who were enrolled in the same grade for a second year in a row. This indicator shows the quality of educational institutions, at least in terms of their ability to create optimal learning conditions.	2011–2015	%	NSI
Average grades at state matriculation exams	A high grade score from the matriculation exams in Bulgarian language and literature is a sign of high quality of secondary education. Results allow comparisons across districts for each year.	2008–2016	Rating 2 to 6	MES
Percent of failed students at state matriculation exams	A high percentage of students who have passed the matriculation exams in Bulgarian language and literature is a sign of high quality of secondary education. Results allow comparisons across districts for each year.	2008–2016	%	MES

Indicator	Description	Period	Unit	Source
Population per general practitioner	GPs are usually the first point of contact in the healthcare system. The indicator on the number of people serviced by one general practitioner shows both the availability of medical staff relative to the population and the workload of doctors.	2001–2015	population/ general practitioner	NSI
Number of people per specialist doctor	The proportion of specialist doctors to the population shows access of people living in a district to specialized health services provided in the district. "Specialist doctors" include internists, cardiologists, pediatricians, surgeons, orthopedists/traumatologists, urologists, infectionists, obstetricians/gynecologists, ophthalmologists, neurologists, psychiatrists, x-ray specialists, and others.	2001–2015	population/ number of specialists	NSI
Cases of hospitalization in general hospitals	The indicator provides information on the morbidity of the population and the workload of general hospitals. It is used to measure the level of morbidity in the respective district – the higher its value is, the higher morbidity is.	2001–2015	cases of hospitalization/ 1,000 people	NSI
Health insured persons as share of the population	The share of persons with health insurance shows the accessibility of health services in the district; it can be used to assess the health status of the population.	2001–2015	%	NRA (request for access to information under the Access to Public Information Act)
Number of beds in general hospitals per 1,000 people	The indicator shows the number of beds in general hospitals per 1,000 people. The number of beds serves as an indicator for the material base of health care in the region.	2001–2015	number of hospital beds/ 1,000 people	NSI
Infant mortality rate	The infant mortality rate shows the number of deceased infants of age up to 1 year per 1,000 live births during the respective year. A high rate indicates both shortcomings in health care and low health culture of the local population.	2001–2015	‰	NSI



Indicator	Description	Period	Unit	Source
Share of criminal cases in the district court closed in the first 3 months	The high share of criminal cases closed in the first 3 months after their being launched is indicative of speedier administration of justice, all other conditions equal.	2009–2015	%	SJC
Share of pending criminal cases in the district court	The share of pending criminal cases in the district courts is used as an indicator of the efficiency of local judicial bodies.	2009–2015	%	SJC
Actual workload of penal judges in the district court	This indicator shows the actual workload of penal judges in the district courts for the respective year. The higher the workload, the harder the access to the judiciary.	2010–2015	cases/ penal judge/ month	SJC
Crimes against the person and property per 1,000 people	The number of crimes against the person and property are indicative of the overall criminality in a given district. Officially recorded crimes do not always represent the actual number of crimes committed in the district, but provide a good basis for evaluation and comparison between districts.	2000–2015	number of crimes/ 1,000 people	NSI, MI
Clearance rate for crimes against the person and property, registered throughout the year	The higher the share of cleared crimes, the better the work of law enforcement in the district. The indicator concerns only clearance rates of registered crimes and complements the general security picture of each district.	2000–2015	%	NSI, MI

Indicator	Description	Period	Unit	Source
Emissions of carbon dioxide per sq. km. of the territory	The emissions of harmful substances into the atmosphere show how the atmosphere in the area is polluted by human activity. For the purposes of analysis, only carbon dioxide emissions were taken into account, as representing the largest volume, while simultaneously being most indicative of harmful emissions. Districts with high air pollution are less attractive in terms of living conditions.	2010–2014	tonnes of carbon dioxide/ 1 sq. km of area	NSI
Household waste generated per capita of serviced population	The amount of generated household waste is a standard measurement for the cleanliness of the environment. A high rate for this indicator implies a greater threat to the environment in the respective district.	2001–2014	kg/ person/ year	NSI
Share of the population living in settlements with public sewerage systems, connected to waste water treatment plants	The availability of waste water treatment plants (WWTP) suggests lower environmental pollution from sewage and higher utilisation of water resources. The larger the share of public sewerage systems, connected to WWTPs is, the cleaner the environment.	2009–2014	%	NSI
Share of population living in settlements with public sewerage systems	The indicator shows the percentage of residents in a district who live in areas with public sewerage systems. The coverage of public sewerage has impact on both the social and the environmental characteristics of the regions.	2006–2014	%	NSI

Indicator	Description	Period	Unit	Source
Number of visits to theatres per 1,000 people of the average annual population	An indicator of the intensity of cultural activities that shows the annual average number of visits to the district's theatres per 1,000 people of the local population.	2009–2015	visits/ 1,000 people	NSI
Number of visits to cinemas per 1,000 people of the average annual population	An indicator of the intensity of cultural activities that shows the annual average number of visits to the district's cinemas per 1,000 people of the local population.	2009–2015	visits/ 1,000 people	NSI
Number of visits to museums per 1,000 people of the average annual population	An indicator of the intensity of cultural activities that shows the annual average number of visits to the district's museums per 1,000 people of the local population.	2009–2015	visits/ 1,000 people	NSI
Number of visits to libraries per 1,000 people of the average annual population	An indicator of the intensity of cultural activities that shows the annual average number of visits to the district's libraries per 1,000 people of the local population.	2009–2015	visits/ 1,000 people	NSI

Appendix

ECONOMIC DEVELOPMENT

Income and Living Conditions

Indicator	GDP per capita, BGN	Annual average income per household member, BGN	Annual average gross salary, BGN	People living in material deprivation, % of the population	Relative share of people living below the national poverty line, % of the population
District	(2014)	(2015)	(2014)	(2013)	(2013)
Blagoevgrad	7,567	4,502	6,818	22.1	18.2
Burgas	8,687	4,275	8,834	38.6	21.4
Varna	12,096	5,168	9,272	50.7	21.9
Veliko Tarnovo	7,801	4,180	7,662	40.5	30.2
Vidin	6,034	3,677	6,663	38.4	38.1
Vratsa	9,494	4,426	9,861	42.7	27.1
Gabrovo	9,804	5,102	8,283	24.5	12.8
Dobrich	7,802	4,049	7,581	20.9	19.9
Kardzhali	6,041	3,393	7,222	41.6	60.1
Kyustendil	6,656	4,587	7,091	28.6	8.5
Lovech	7,635	4,084	7,487	55.3	36.8
Montana	6,611	3,021	7,449	19.8	41.6
Pazardzhik	6,842	3,728	7,650	54.7	50.2
Pernik	5,914	6,093	7,063	37.3	11.9
Pleven	6,710	5,645	7,400	29.3	10.0
Plovdiv	9,268	4,300	8,504	30.4	23.1
Razgrad	8,152	4,164	8,351	33.6	20.8
Ruse	9,675	5,303	8,028	36.3	16.3
Silistra	5,826	3,521	7,215	38.2	20.2
Sliven	5,936	4,236	7,265	33.0	32.7
Smolyan	7,554	5,419	7,253	20.6	30.8
Sofia (capital)	24,982	7,061	13,542	36.5	7.3
Sofia	11,544	3,827	9,766	42.9	24.6
Stara Zagora	14,348	5,090	10,035	39.5	22.4
Targovishte	7,113	3,910	7,465	29.0	29.7
Haskovo	6,386	4,321	6,947	27.4	19.8
Shumen	7,376	4,772	7,968	33.0	25.0
Yambol	7,751	4,437	7,472	20.8	22.8

Labor Market

District	Indicator	Annual average economic activity rate of the population aged 15 to 64, % (2015)	Annual average unemployment rate of the population, aged 15 to 64, % (2015)	Annual average employment rate of the population aged 15 to 64, % (2015)	Demographic replacement rate (ratio of the number of people aged 15 to 19 to those aged 60 to 64, % (2015)	Relative share of the population aged 25 to 64 with higher education, % (2015)	Relative share of the population aged 25 to 64 with primary or lower education, % (2015)
Blagoevgrad		70.8	10.3	63.4	66.1	19.5	22.8
Burgas		69.4	10.3	62.2	67.3	19.3	28.8
Varna		72.6	5.7	68.4	68.5	30.6	15.5
Veliko Tarnovo		69.8	6.8	65.0	56.8	26.9	15.6
Vidin		72.3	18.8	58.8	53.1	21.5	10.1
Vratsa		61.0	17.7	50.3	65.9	21.1	22.2
Gabrovo		73.0	7.5	67.4	48.1	26.8	11.3
Dobrich		70.8	13.8	60.9	62.4	19.4	24.8
Kardzhali		60.3	2.3	58.8	59.4	17.2	35.1
Kyustendil		69.2	13.1	60.2	48.3	23.7	14.3
Lovech		60.2	9.2	54.6	62.1	20.5	20.0
Montana		58.5	8.2	53.7	61.7	17.3	19.5
Pazardzhik		65.3	8.6	59.7	71.5	16.8	26.6
Pernik		72.7	14.0	62.5	50.8	22.5	10.3
Pleven		67.5	9.2	61.2	59.9	24.5	18.1
Plovdiv		68.8	9.6	62.1	66.5	25.4	19.7
Razgrad		65.6	15.0	55.6	65.5	18.7	36.7
Ruse		65.9	9.0	60.0	57.1	24.4	16.7
Silistra		63.1	21.8	49.2	60.2	16.4	33.3
Sliven		62.9	10.9	55.9	79.6	21.8	28.8
Smolyan		77.2	17.2	63.9	46.8	21.7	21.8
Sofia (capital)		75.0	4.3	71.7	65.5	49.6	3.1
Sofia		65.5	9.4	59.2	65.2	16.8	21.9
Stara Zagora		66.9	9.7	60.3	63.1	22.6	17.6
Targovishte		56.7	8.8	51.6	68.1	15.0	35.7
Haskovo		69.0	8.6	63.1	61.0	18.7	22.6
Shumen		73.0	19.7	58.5	69.7	24.0	29.4
Yambol		71.5	12.0	62.8	58.9	29.0	14.8

Indicator District	Number of non-financial companies per 1,000 people (2014)	Expenditure on the acquisition of fixed tangible assets per capita, BGN thousand (2014)	Cumulative foreign direct investment in non-financial enterprises, euro thousand (as of 31.12.2014)	Utilisation of EU funds by municipalities under operational programmes, BGN (as of 31.05.2016)
Blagoevgrad	55	495,204	384,666	185,528,124
Burgas	67	1,852,643	937,227	585,266,082
Varna	66	1,101,169	1,679,193	287,550,801
Veliko Tarnovo	40	384,392	108,176	183,918,017
Vidin	32	87,319	51,686	92,622,014
Vratsa	32	380,498	138,053	161,510,865
Gabrovo	48	304,762	265,205	166,484,477
Dobrich	51	372,252	111,566	109,307,912
Kardzhali	29	187,602	143,951	110,702,264
Kyustendil	40	139,008	43,524	46,628,713
Lovech	40	186,744	134,000	156,467,864
Montana	31	140,311	34,218	84,156,273
Pazardzhik	39	405,163	472,035	162,862,094
Pernik	39	126,798	218,999	63,872,654
Pleven	36	379,410	306,765	208,762,289
Plovdiv	51	1,639,346	1,546,360	357,180,038
Razgrad	33	181,940	114,509	117,748,341
Ruse	47	466,452	385,755	107,121,536
Silistra	33	165,673	31,667	87,324,994
Sliven	35	222,619	92,702	72,536,691
Smolyan	44	204,252	75,175	54,206,175
Sofia (capital)	81	8,186,075	11,675,227	654,972,719
Sofia	38	563,520	1,239,078	229,297,619
Stara Zagora	44	902,543	969,271	219,337,110
Targovishte	32	240,738	198,286	57,501,727
Haskovo	47	321,235	61,324	129,073,308
Shumen	37	265,981	104,871	139,082,284
Yambol	44	220,184	58,091	113,413,671

Infrastructure

Indicator	Road network density – total length of motorways, first, second, and third class roads, km/100 sq. km	Railway network density, km/100 sq. km	Relative share of households with Internet access, %	Relative share of people (aged 16 to 74) that have used Internet in the past 12 months, %	Share of roads in good condition, %	Share of motorways and first class roads, %
District	(2014)	(2014)	(2015)	(2015)	(2015)	(2014)
Blagoevgrad	10.3	2.5	63.3	59.6	59.7	13.1
Burgas	15.3	2.3	63.2	48.6	39.5	25.4
Varna	18.8	5.2	57.8	63.2	44.4	27.4
Veliko Tarnovo	20.1	5.1	60.7	54.2	26.7	16.3
Vidin	20.3	3.6	48.0	62.1	32.3	12.0
Vratsa	17.8	3.1	31.1	48.2	15.0	10.1
Gabrovo	25.0	3.7	49.4	63.2	42.2	17.2
Dobrich	17.5	1.3	58.5	59.3	40.0	10.0
Kardzhali	20.5	2.1	51.2	39.5	27.5	11.1
Kyustendil	19.3	4.0	50.3	46.1	50.5	16.0
Lovech	18.0	2.6	50.8	54.6	43.7	15.1
Montana	16.6	3.1	36.8	56.1	31.4	8.6
Pazardzhik	16.6	4.2	50.6	52.2	51.8	14.9
Pernik	24.1	4.8	53.0	50.8	49.2	16.7
Pleven	17.1	4.4	54.5	45.8	39.0	12.2
Plovdiv	17.1	5.4	61.7	58.4	47.1	17.5
Razgrad	19.2	3.5	58.1	71.7	22.7	11.1
Ruse	18.3	5.5	60.9	62.7	26.0	21.5
Silistra	17.8	2.5	56.4	51.9	46.8	11.3
Sliven	16.5	3.6	44.6	52.9	72.4	22.0
Smolyan	16.9	0.0	52.3	52.3	54.5	0.0
Sofia (capital)	0.0	12.8	75.3	77.7	0.0	0.0
Sofia	21.3	4.2	45.9	54.3	29.0	32.8
Stara Zagora	17.2	5.1	61.4	46.6	55.7	27.0
Targovishte	20.6	2.8	33.8	48.7	42.5	14.6
Haskovo	19.6	3.6	54.2	62.3	33.1	18.4
Shumen	18.1	4.6	65.6	50.6	42.5	36.0
Yambol	19.0	1.7	56.8	64.5	52.1	20.8

% Taxes and Fees

District \ Indicator	Immovable property tax rate – non-residential property of legal entities, ‰ (2016)	Vehicle and automobile tax rate – 74 to 110 kW, BGN/kW (2016)	Annual license tax for retailers (up to 100 sq. m of retail space – for most favourable location), BGN/sq. m (2016)	Annual waste collection charge for non-residential properties of legal entities, ‰ (2016)	Property transfer tax, ‰ (2016)
Blagoevgrad	1.35	1.18	11.22	8.49	1.96
Burgas	1.90	1.54	14.96	7.39	2.59
Varna	2.05	1.51	16.53	4.89	2.62
Veliko Tarnovo	2.22	1.50	12.03	7.40	2.60
Vidin	1.68	1.13	4.61	8.01	2.55
Vratsa	1.91	1.20	6.84	7.57	2.30
Gabrovo	1.75	1.28	8.87	3.75	2.21
Dobrich	1.48	1.48	8.70	6.14	2.92
Kardzhali	1.68	1.24	8.03	9.72	2.49
Kyustendil	1.53	1.17	10.03	5.78	2.06
Lovech	2.19	1.27	10.40	10.16	2.30
Montana	1.68	1.15	5.12	6.31	2.42
Pazardzhik	1.81	1.18	9.03	11.75	2.72
Pernik	1.87	1.36	9.87	6.39	2.09
Pleven	2.81	1.16	9.23	6.17	2.81
Plovdiv	1.79	1.42	13.02	7.01	2.42
Razgrad	2.02	1.37	9.16	7.28	2.51
Ruse	1.34	1.14	13.43	5.16	2.26
Silistra	1.74	1.27	7.95	7.60	2.31
Sliven	2.92	1.47	9.80	3.27	2.79
Smolyan	1.82	1.18	7.55	8.50	2.43
Sofia (capital)	1.88	1.38	20.00	10.00	2.50
Sofia	2.01	1.20	8.96	9.78	2.54
Stara Zagora	1.43	1.39	13.78	4.32	2.26
Targovishte	1.42	1.39	9.04	7.21	2.24
Haskovo	1.90	1.38	12.60	10.38	2.51
Shumen	1.77	1.44	8.95	6.59	2.66
Yambol	1.87	1.39	8.20	6.87	2.55



Administration

Indicator District	Cadastral coverage, % (2015)	Level of development of local government e-services, rating from 1 to 5 (2016)	Level of development of one-stop shop services, rating from 1 to 5 (2016)	Active Transparency Rating of local government bodies, % (2016)	Local Integrity System, rating from 1 to 5 (2016)
Blagoevgrad	13.8	2.3	3.2	46.7	3.0
Burgas	20.7	2.4	2.4	59.5	3.6
Varna	17.5	2.4	3.0	56.6	2.8
Veliko Tarnovo	10.4	3.2	2.9	53.0	3.3
Vidin	8.2	1.4	2.2	35.3	2.8
Vratsa	7.1	3.0	3.2	50.6	3.1
Gabrovo	21.3	2.9	2.8	61.3	3.5
Dobrich	32.1	3.3	3.4	58.4	3.3
Kardzhali	3.4	2.2	2.1	40.7	2.8
Kyustendil	18.9	3.0	3.0	41.4	2.9
Lovech	80.4	2.4	3.1	59.3	3.0
Montana	12.3	2.9	3.3	42.1	3.2
Pazardzhik	26.8	2.8	2.7	49.7	2.9
Pernik	4.5	2.7	2.7	40.1	3.0
Pleven	10.8	2.3	1.9	54.1	3.0
Plovdiv	24.4	2.6	2.8	47.8	3.3
Razgrad	18.9	2.5	2.7	55.2	3.1
Ruse	10.2	2.8	3.5	62.0	3.5
Silistra	16.2	2.8	1.5	41.8	2.9
Sliven	23.0	2.7	2.8	65.2	3.1
Smolyan	32.1	2.7	2.5	46.9	3.0
Sofia (capital)	96.3	3.0	2.0	70.2	3.6
Sofia	14.8	2.5	3.0	41.3	0.0
Stara Zagora	15.7	3.1	3.1	45.9	3.6
Targovishte	6.0	3.2	1.7	50.9	3.0
Haskovo	3.8	2.7	3.0	49.8	2.8
Shumen	30.0	2.9	2.4	39.0	3.3
Yambol	16.6	2.5	3.4	45.6	3.2

SOCIAL DEVELOPMENT

Demography

Indicator	Annual average population	Age dependency ratio (65+ to 0–14), %	Age dependency ratio (65+ to 15–64), %	Relative share of urban population, %	Population density relative to urban areas, people/sq. km	Natural increase rate, ‰	Net migration rate, ‰
District	(2015)	(2015)	(2015)	(2015)	(2015)	(2015)	(2015)
Blagoevgrad	314,204	125.1	26.5	59.5	2,356	–3.4	–5.3
Burgas	414,034	119.6	27.5	76.1	2,264	–3.4	2.7
Varna	473,365	121.3	26.9	83.5	1,827	–3.5	1.6
Veliko Tarnovo	246,394	179.6	34.5	69.9	1,112	–8.2	–3.1
Vidin	92,298	237.3	47.9	63.7	940	–16.7	–6.3
Vratsa	173,588	175.0	36.8	57.8	827	–11.3	–6.9
Gabrovo	115,312	242.1	44.9	81.8	1,324	–12.5	–5.5
Dobrich	181,705	146.1	31.3	68.8	705	–8.5	–3.7
Kardzhali	151,686	133.7	27.8	41.1	1,876	–3.4	–1.4
Kyustendil	126,992	218.8	41.7	69.1	1,204	–12.2	–3.2
Lovech	132,503	197.6	43.1	62.5	904	–11.0	–4.2
Montana	138,269	191.5	41.7	63.4	974	–13.2	–2.4
Pazardzhik	265,090	132.5	30.1	62.4	2,182	–6.1	–4.9
Pernik	126,252	205.9	38.2	78.4	971	–12.5	–0.1
Pleven	253,868	185.9	40.8	66.4	1,157	–10.0	–4.9
Plovdiv	674,435	142.8	31.0	74.9	2,532	–4.9	1.4
Razgrad	118,145	146.4	30.4	47.1	893	–8.3	–7.0
Ruse	226,680	181.1	34.6	77.4	1,743	–8.6	–0.2
Silistra	113,959	168.5	35.7	44.4	830	–9.0	–3.5
Sliven	191,915	103.5	29.7	65.7	2,739	–2.7	–4.9
Smolyan	112,793	186.7	31.7	55.5	1,934	–8.2	–12.9
Sofia (capital)	1,318,181	121.3	24.3	95.5	4,923	–1.7	4.2
Sofia	237,571	167.9	35.1	60.9	762	–9.7	5.5
Stara Zagora	324,824	148.7	33.4	71.7	1,536	–6.9	–0.2
Targovishte	115,816	140.1	31.6	53.7	1,119	–7.0	–3.5
Haskovo	237,024	153.6	33.5	72.0	1,099	–7.9	2.5
Shumen	176,323	139.9	30.4	61.9	908	–6.5	–0.3
Yambol	124,773	157.7	36.5	70.1	1,142	–9.5	–5.8

Education

Indicator District	Number of college and university students (2015)	Number of teachers at primary and secondary schools (2015)	Number of students at primary and secondary schools (2015)	Net enrolment rate of the population, 5th–8th grade (2015)	Relative share of repeaters, % (2015)	Share of dropouts from primary and secondary education, % (2014)	Percentage of failed students at state matriculation exam in Bulgarian language and literature, % (2016)	Average grades at state matriculation exams in Bulgarian language and literature (2016)
Blagoevgrad	12,084	2,543	34,847	84.0	0.7	1.5	10.5	4.04
Burgas	8,201	3,109	46,757	79.0	0.8	2.6	10.1	4.08
Varna	30,186	3,363	50,233	75.5	0.8	3.9	5.4	4.38
Veliko Tarnovo	23,999	1,766	24,002	78.2	0.7	3.2	8.6	4.10
Vidin	0	675	9,168	77.9	1.2	4.0	6.0	4.20
Vratsa	867	1,330	18,725	84.4	1.2	3.4	10.8	4.04
Gabrovo	6,612	741	10,239	78.7	0.8	2.2	7.1	4.12
Dobrich	716	1,464	17,629	74.6	2.1	5.0	3.8	4.25
Kardzhali	951	1,252	15,685	77.6	0.3	1.9	16.9	3.85
Kyustendil	0	897	11,779	79.3	1.0	2.1	12.5	3.97
Lovech	247	1,058	14,948	81.2	0.7	3.2	9.9	4.12
Montana	0	1,125	14,765	80.6	0.9	3.2	12.4	3.88
Pazardzhik	0	2,143	28,118	78.7	1.4	4.5	14.6	4.01
Pernik	216	817	11,189	78.9	0.7	2.3	8.3	4.06
Pleven	2157	2,053	26,948	80.4	1.2	2.9	14.7	3.96
Plovdiv	38,769	4,840	68,207	78.0	1.8	3.9	8.6	4.27
Razgrad	319	977	13,158	84.7	1.0	4.3	15.4	3.84
Ruse	8,456	1,620	21,546	77.8	0.9	2.5	5.4	4.19
Silistra	457	820	11,488	78.7	0.8	3.2	13.9	3.80
Sliven	911	1,457	22,799	75.2	1.9	4.8	6.9	4.15
Smolyan	1,763	943	10,334	83.3	0.2	0.7	6.5	4.26
Sofia (capital)	105,517	9,183	125,295	74.5	0.5	1.1	2.1	4.58
Sofia	4,259	1,787	24,372	79.5	1.8	2.8	16.0	3.90
Stara Zagora	5316	2,485	35,863	80.4	1.4	2.5	8.7	4.16
Targovishte	0	937	11,788	77.5	0.8	4.9	7.2	3.98
Haskovo	257	1,709	24,370	77.8	1.0	2.8	12.6	3.98
Shumen	6,901	1,437	18,857	80.0	0.9	2.2	9.8	3.95
Yambol	796	910	13,559	78.4	1.4	2.6	16.8	3.87

Indicator District	Number of beds in general hospitals per 1,000 people (2015)	Number of people per general practitioner (2015)	Number of people per specialist doctor (2015)	Infant mortality rate, ‰ (2015)	Hospitalizations in general hospitals per 1,000 people (2015)	Health insured persons, % (2015)
Blagoevgrad	3.2	1,595	791	5.3	183	88.9
Burgas	2.9	1,944	647	7.3	167	85.2
Varna	4.2	1,547	447	6.4	175	85.1
Veliko Tarnovo	3.0	1,735	785	9.8	146	84.5
Vidin	3.9	1,398	689	5.3	168	91.5
Vratsa	4.7	1,669	616	6.4	217	90.8
Gabrovo	5.3	1,517	489	3.8	258	95.5
Dobrich	2.5	1,387	834	5.4	128	85.9
Kardzhali	3.9	2,298	811	7.2	177	103.5
Kyustendil	5.2	1,427	661	3.2	233	94.2
Lovech	4.0	1,440	669	12.9	209	91.1
Montana	6.2	1,455	777	6.3	268	89.0
Pazardzhik	5.5	1,569	575	11.8	266	85.5
Pernik	2.3	1,503	928	4.6	98	90.0
Pleven	7.3	1,244	404	7.7	323	90.8
Plovdiv	7.2	1,587	435	7.5	412	88.4
Razgrad	4.6	2,461	832	8.3	225	92.4
Ruse	4.2	2,119	589	6.7	215	88.3
Silistra	4.0	1,965	781	9.4	209	87.6
Sliven	4.5	1,777	838	12.8	217	87.4
Smolyan	4.7	1,659	728	5.4	214	94.4
Sofia (capital)	4.8	1,573	391	2.5	253	87.1
Sofia	5.1	1,786	541	8.2	260	87.3
Stara Zagora	4.3	1,418	500	8.4	218	90.1
Targovishte	5.0	2,227	738	6.5	244	88.2
Haskovo	3.3	1,658	725	6.0	198	89.1
Shumen	2.9	1,533	770	8.1	148	89.6
Yambol	3.1	1,664	832	7.8	157	91.3

Indicator District	Share of criminal cases in the district court closed in the first 3 months, % (2015)	Share of pending criminal cases in the district court, % (2015)	Actual workload of penal judges in the district court, relative to all cases/judge/month (2015)	Number of registered crimes against the person and property per 1,000 people of the annual average population (2015)	Clearance rate for crimes against the person and property, registered during the year, % (2015)
Blagoevgrad	84.0	15.4	7.9	11.0	49
Burgas	93.0	6.5	8.6	20.2	34
Varna	93.0	7.2	7.6	15.9	30
Veliko Tarnovo	94.0	9.5	6.6	11.4	58
Vidin	92.0	7.9	4.9	14.4	38
Vratsa	95.0	5.2	6.2	15.6	51
Gabrovo	95.0	6.2	6.7	13.5	51
Dobrich	94.0	7.0	5.5	13.1	36
Kardzhali	95.0	10.0	5.8	5.6	56
Kyustendil	80.0	9.8	10.1	15.8	34
Lovech	95.0	6.5	6.7	10.1	45
Montana	80.0	14.5	4.7	13.4	42
Pazardzhik	93.0	6.9	8.8	10.1	46
Pernik	94.0	6.5	6.9	15.4	31
Pleven	95.0	8.1	6.8	16.0	36
Plovdiv	93.0	5.4	10.6	10.3	38
Razgrad	94.0	4.5	8.1	9.4	61
Ruse	97.0	6.3	5.4	10.1	36
Silistra	87.0	5.4	6.8	9.6	62
Sliven	94.0	5.2	8.6	11.6	52
Smolyan	95.0	5.2	6.4	6.1	57
Sofia (capital)	76.0	15.4	12.5	18.6	30
Sofia	89.0	12.1	9.7	13.8	40
Stara Zagora	90.0	5.8	9.8	12.6	42
Targovishte	92.0	8.1	3.3	8.8	63
Haskovo	94.0	7.1	9.8	12.1	48
Shumen	96.0	6.8	5.6	9.4	55
Yambol	91.0	6.3	6.2	10.8	60

Indicator District	Emissions of carbon dioxide into the atmosphere, tonnes per sq. km (2014)	Generated household waste per capita, kg/person/year (2014)	Share of population living in settlements with public sewerage systems, % (2014)	Share of the population living in settlements with public sewerage systems connected to waste water treatment plants, % (2014)
Blagoevgrad	11.3	330	77.6	26.8
Burgas	74.7	583	76.1	61.4
Varna	1,106.3	546	86.2	86.2
Veliko Tarnovo	131.1	407	66.8	44.8
Vidin	142.9	330	56.8	0.0
Vratsa	110.8	290	55.6	32.3
Gabrovo	31.0	416	85.2	66.8
Dobrich	5.9	553	70.9	70.9
Kardzhali	5.8	256	44.0	3.9
Kyustendil	668.9	448	74.2	61.0
Lovech	93.8	407	64.1	41.2
Montana	7.9	286	58.8	34.3
Pazardzhik	35.5	412	70.2	27.4
Pernik	292.8	466	79.1	74.1
Pleven	56.7	391	56.7	41.3
Plovdiv	131.7	485	79.8	54.9
Razgrad	47.4	411	41.8	41.8
Ruse	208.3	637	68.0	64.5
Silistra	14.7	373	51.5	6.2
Sliven	161.0	329	65.2	57.6
Smolyan	4.0	329	69.4	39.5
Sofia (capital)	1,073.5	465	96.3	96.1
Sofia	39.5	568	77.1	29.3
Stara Zagora	3,678.3	396	71.5	61.3
Targovishte	104.5	387	56.4	44.1
Haskovo	183.2	392	71.6	46.7
Shumen	29.1	388	59.3	44.7
Yambol	62.7	313	70.4	3.6

Indicator District	Number of theatre visits, thousand (2015)	Number of cinema visits, thousand (2015)	Number of library visits, thousand (2015)	Number of museum visits, thousand (2015)
Blagoevgrad	43.3	100.0	107	82.0
Burgas	137.9	361.4	54	167.6
Varna	133.8	560.8	166	168.1
Veliko Tarnovo	17.6	109.5	439	489.7
Vidin	35.3	34.4	55	130.1
Vratsa	39.8	9.6	101	25.7
Gabrovo	42.7	43.7	68	343.5
Dobrich	43.6	21.7	63	136.2
Kardzhali	22.7	0.0	36	13.4
Kyustendil	19.7	23.8	43	105.6
Lovech	15.7	0.0	51	126.5
Montana	16.3	0.0	33	37.7
Pazardzhik	40.7	0.0	70	175.3
Pernik	10.4	0.0	33	58.8
Pleven	43.8	129.7	81	181.8
Plovdiv	174.7	586.2	158	332.8
Razgrad	36.9	3.4	58	52.0
Ruse	146.2	185.0	180	97.8
Silistra	21.4	13.1	51	22.1
Sliven	60.2	16.1	149	86.2
Smolyan	10.9	17.3	22	26.5
Sofia (capital)	720.9	2,802.1	1,643	979.1
Sofia	0.0	14.4	0	354.3
Stara Zagora	118.9	216.0	158	290.5
Targovishte	50.3	29.9	87	25.8
Haskovo	71.5	25.0	76	41.2
Shumen	40.1	24.2	157	179.5
Yambol	53.3	13.8	48	33.9

