

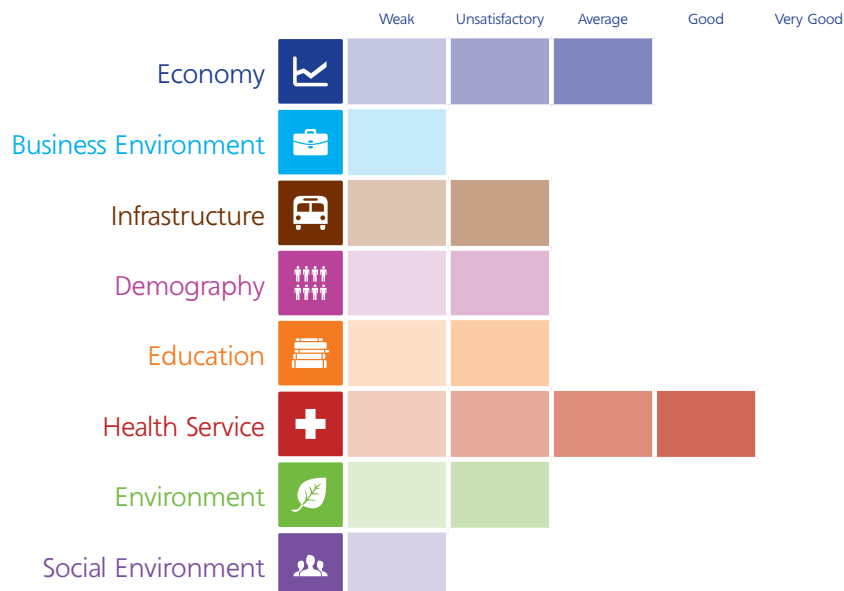
# Pernik

GDP per capita, current prices, BGN (2009)	5316
Population (2011)	132833
Employment rate of the population over 15 years (2011)	46,0
Area (sq. km.)	2394,2



## Overview

Pernik District is situated in South-Western Bulgaria and covers 170 populated areas in six municipalities: Breznik, Zemen, Kovachevtsi, Pernik, Radomir, and Tran. The district is characterized by a low potential for developing agriculture, that is why it is very limited. The level of employment is low, and the district appears to be unattractive for foreign investment. Proximity to the capital city seems to have diverse effects. On the one hand, it means easy access to a range of services in the capital, estimated by the population as important (healthcare, education), but on the other hand it hinders the development of similar services in the district itself, causing a problem for people who find travelling difficult. However, people in the district have access to the capital city labour market and, with the now improved infrastructure to the capital, such access is even easier. In healthcare, Pernik gets an average result, that compared to the other categories, is considered one of the district's strong points. Performance in all other categories was rated unsatisfactory or poor.



## Economy

The gross domestic product per capita in Pernik District reached 60% of the national average in 2009. The dominant economic sectors in the district are manufacturing, food processing and light industries, mining, and services. The mining industry mostly consists in the extraction of coal and construction materials. The farming area comprises 49% of the total territory, and arable land accounts for only 27%, that defines the area as very industrial rather than agricultural.

The employment rate of the population over 15 has traditionally been below the national average, but the combination of the district's „catching up“ and slower employment growth in the country as a whole resulted in Pernik District for the first time slightly exceeding in 2011 the average employment rate in Bulgaria, reaching 46%.

This happened on the background of historically low levels of foreign direct investment per capita, with a very pronounced but one-off rise in 2008, and in the years since, the process of accumulation of FDI has been slow. Local municipalities ranked fourth according to EU funds from operational programmes per person, reaching € 245 against a country average of € 104.

## Business Environment

Pernik is one of the areas with the least favourable business environment in the country, sharing this „top position“ with Sofia and Kyustendil. The only indicators performing better than the national average are the businesses' opinion of the quality of e-services and the low tax rates for the annual retail license tax. Charges for market stalls and waste collection are about the national average. One in three business representatives has benefited from the electronic services provided, with nearly 80% of users giving high marks for their quality. In municipalities that provided data about their preparedness to start one-stop-shop service, the process of integrating administrative services is only just beginning.

Over 80% of businesses rated local consumption as being low, and the infrastructure as underdeveloped. Confidence in regional and municipal administrations is the lowest in the country, with over three quarters of respondents saying that companies in the district were often compelled to make informal payments to obtain better services, obtain the necessary permits, or be awarded public procurement contracts. The judiciary also gets extremely low scores, but given the small proportion of respondents who were involved in litigation, the figures remain provisional.

## Infrastructure

The district's area occupies the mountainous parts of south-western Bulgaria, the relief is varied but mostly hilly. The geographical location of the district provides good conditions for developing the infrastructure. The road network density is the second highest after Gabrovo. Two major roads of European and Balkan significance pass through the territory of the district: the route Vidin - Sofia - Kulata, and the route Gyueshevo - Sofia - Burgas. More than 70% of the roads are Class 3, 12% are Class 2, 14% are Class 1, and 2% are a highway (Lyulin Highway). Railway lines passing through the district are part of the international line Sofia - Kulata and Sofia - Gyueshevo, so the density of railway lines is also above the national average. Over 70% of the railway lines are electrified. Losses in the transport of water in the public water supply and irrigation systems in the district are among the lowest in the country (52.4%) and decreasing.

Despite the increase in the proportion of households with Internet access and people of working age who use the Internet, the district still reports levels below the country average.

## Demography

In 2011, the district had a population of 132,833; it registered a decrease by almost 11% over the last decade. The rate of natural increase of the population has been consistently negative at about 9 ‰ per year, that has a strong negative impact on the district's demographic profile. The trends are similar for net migration: following a positive trend between 2005 and 2007, it reversed back to negative and at present the number of people leaving the district is larger than that of newcomers. All this leads to worsening of the age structure and a critical increase in both age dependency ratios. Pernik is among the five districts with the worst age dependency indicators in recent years. The working age population in 2011 was 60%, that is lower than the national average, while children comprise about 12% of the population, again among the lowest values. The district ranks fifth in urbanisation: more than 79% of the population in 2011 lived in cities and bigger towns.

## Education

In 2011, the number of schools in the district reached 45; 12 schools were closed over the last ten years. The number of teachers and students during this period decreased at similar rates, that means that school availability in the district is very close to the national average. In 2011, there was one school per every 2,952 people of the population. Although access to primary and secondary education is quite good, the district reported a declining rate of enrolment of school-age children. Over the period 2007-2011, the enrolment rate of the population in elementary school (Grades 1 - 4) decreased, reaching levels lower than the national average, while the enrolment rate in secondary schools also dropped. Only a slight increase was observed in the enrolment of children in the secondary stage (Grades 9 - 12); in 2011 it was 84.8%, even exceeding the country average. The schools' ability to retain their students is assessed by the percentage of students who repeat the year: in Pernik District, this indicator was low in 2011, with only 0.6 per cent of repeaters. The indicator is far below the national average of 0.9%. The percentage of school drop-outs in the district is also low and has decreased over the years: from 3.14% in 2006 it reached 1.54% in 2011. that is one-third better than the national average. In terms of the quality of education, there has been a decreasing tendency in the number of children who got the lowest „pass“ score at the matriculation exam in Bulgarian language and literature; in 2011 approximately 4.5% of children fell into this group at 5.5% for the country. The average scores from the exam in Bulgarian language and literature for students in the district is following the national trend, but are slightly lower.

## Healthcare

Since 2007, the number of hospitals in the district decreased by almost half, reaching four in 2011. Therefore hospital availability for the local population is below the national average. The availability of GPs was also reduced in 2011, and is now close to the country average: one general practitioner has a patient list of 1,557 people. A major shortage is observed in specialist cardiologists; in 2011, the district reported one of the highest numbers of people per cardiologist: over 45 thousand people per specialist, at average rates of 7 thousand per specialist in the country.

Since 2009, the number of people who sought hospital treatment has been on the decrease. Pernik is among the districts which for years have reported low levels for this indicator. One reason is the district's proximity to the capital city and the local population's preference to seek medical treatment in Sofia. Pernik District registered the largest deficit of cardiologists: one cardiologist is in charge of more than 45 thousand people, against a national average of about 7 thousand people. In the district, 89 out of every 100 people have valid health insurance.

A positive development was observed in the number of people infected with TB: it decreased more than 20% over the period 2008-2010, reaching the fifth lowest level in the country.

Local people's rating given to the way hospitals operate and the quality of healthcare is among the lowest in the country. Corruption perceptions in healthcare run quite high.

## Environment

The district received some very good grades in this category. The almost double reduction of harmful substances emitted into the atmosphere since 2002 is mainly due to the closure of key pollutants (large industrial installations), but also to the renovations and stricter controls over operating companies. The district has similar levels of air pollution per sq.km. as the districts of Vidin and Haskovo.

In 2010, the district had four operating waste water treatment plants, serving approximately 72% of the population. It logically follows that the design capacity of existing wastewater treatment plants per capita is almost twice as high as the national average. Two new plants are being built: in Kovachevtsi and Tran, as well as a potable water treatment plant in Radomir.

In 2010, 99% of the population lived in places with organised garbage collection; six waste depots have been built in the district. Pernik District registered the highest levels of household waste collected per population served: 1,344 kg. against an average of 403.7 kg for the country.

## Social Environment

The district receives the third lowest score in this category. Local people gave one of the lowest scores to the work of institutions (municipal, district administrations, regional government structures, courts and hospitals). Only about 5 to 6% of local residents are happy with their standard of living, education and jobs, and not a single respondent said that he/she was very satisfied with these. Despite the district's good performance in

healthcare, over 90% of respondents believe hospitals are prone to corruption, and nearly half of those who used healthcare services in the previous year were forced to make informal payments to receive the services needed.

In 2007-2009, nearly 10% of local residents were living in households with low intensity of economic activity, and in 2009 more than half of the district's inhabitants fell into the group of people living in material deprivation at only 28% in 2007. The share of the population living below the relative poverty line in the district remained around 17%. Pernik and Vidin are the districts with the largest area of useful floor space of dwellings in urban and rural areas in proportion to the population, that can be explained by the major decrease of the population of these two districts. Only 9% of the district's residents said they were prepared to leave it if given the opportunity, that is significantly lower than the national average and is most likely the result of the geographic proximity to the capital city.

Applied to the number of population, in 2010 the number of reported crimes in the district was about 15 per cent lower than the national average. Pernik is one of the few districts that did not report a major increase in the number of reported crimes post- 2008. However, the sense of security in the district is estimated by local residents as „low“, also confirmed by the high proportion of respondents among citizens (about 53%) who evaluate police performance as „very poor“ or „poor“.