

# Haskovo

**Population (2012)**  
**Area (sq. km)**  
**Number of settlements**  
**Share of urban population (%)**

242 805  
 5 533,3  
 261  
 72,4



## Overview

Haskovo District is relatively underdeveloped in terms of its economy. The negative impact of the crisis was felt particularly strongly in 2009-2010 and resulted in a serious decline in employment and increase in unemployment. The demographic and economic developments in the district are largely interconnected: high levels of age dependency, low economic activity, falling employment and poverty problems. The rather unfavourable business environment and problems in education further complicate the economic development. The good geographical location and relatively diverse sectoral structure of the economy, including the increasing number of small businesses, speak of certain potential. The big challenge remains attracting foreign investment and better absorption of EU funds.

When asked whether they would permanently relocate to another district, one in four people replied in the affirmative. The survey results show that the problems of the district are rooted in its economy, since its development is crucial for employment and incomes, and therefore for local people's level of satisfaction with the quality of the social environment.



## Economy

The gross domestic product per capita in Haskovo District is traditionally low compared to the country average, the difference with the capital city of Sofia being almost quadruple. One of the most serious slumps in the difficult years of the crisis (2009-2010) was observed here. In 2010, for the first time in the last decade, the economy of Kardzhali outperformed that of Haskovo in terms of GDP per capita.

The problems are quite obvious in the labour market, too; since 2008 there has been a serious decline in employment, while unemployment increased. In 2012, however, some improvement was reported: the unemployment rate fell below 15%, and the number of employees increased slightly. The positive dynamics in Haskovo District in 2012 is not typical for most districts of the country, suggesting a certain economic improvement in the district.

The figures on investment and the rate of absorption of EU funds in the last year reveal problems, but also some positive trends. In 2009 and 2010, investments in the district were among the lowest in the country. This applies to both the expenditures for acquisition of fixed tangible assets, and foreign investment. A slight increase was registered in 2011, but the local economy is definitely in need of more investments, with a focus on attracting foreign investors. The absorption of EU funds by the municipalities in the district is not active enough, either, but still showed some increase in 2012.

Machine building for the food industry is a major part of the local economy; this is an area with long traditions in the district. Other strong sectors are textiles, the chemical industry and the manufacture of food, beverages and tobacco products. The slump in the construction industry in recent years poses a serious problem to the local economy as it drags behind other related sectors. There is also a pronounced shortage of appropriately trained staff and this creates problems for existing companies.

The prevalence of companies financed with Bulgarian investment gives the district a slightly different profile; it is not so much dependent on foreign investment as on the potential of local small and medium-sized enterprises. This gives some prospects for sustainable development and dynamics of the local market in the long term, but so far has not generated sufficiently high employment, which is the main socio-economic factor.

## Taxes and Administration

Local taxes in the municipalities of Haskovo District are relatively high, particularly in terms of real estate tax and waste collection charges. Local taxes in the district centre of Haskovo are among the highest compared to other district centres in the country. Compared to the relatively high levels of taxes and charges, the level of corruption in the district has been rated as extremely high. The focus in the assessment of corruption falls on the operation of the municipal authorities; "change of local regulations and ordinances in favour of certain business interests" was most frequently mentioned.

The administrative services of municipalities continue to be a challenge, although there has been some development in terms of the one-stop-shop concept. According to feedback from municipalities themselves, the level of provision of electronic services is mostly one-way and two-way interaction (the second and third level of four possible) while one-stop-shop services are mostly at the "operating" stage (third out of four possible).

The ratings given to electronic services are comparable to the average results for the country; one-third of respondents said they had used e-services in the last year. This does not simply involve the use of information or downloading of forms and applications, but complete communication with the administration via electronic means. Some municipalities face serious difficulties in terms of developing e-services, and are still at the stage of only publishing information on their websites.

## Infrastructure

The density of the road network in the district is a little higher than the national average. The proximity to the completed Trakia Highway is a plus, and the construction of the Maritsa Highway is crucial for settlements in the district. The construction of the Maritsa Highway has encountered difficulties and is already behind schedule. The quality of the road surface has deteriorated in the last two years but remains relatively good, compared with the country average. Nearly half of the road surface in Haskovo District is in good condition, while in some districts only a quarter of the road surface is good. The density of railways is about average, although railway transport is in decline in the district centre (Haskovo).

There are two border crossing points in the district: on the border with Greece and on the Turkish border. Traffic to and from Turkey plays a major role in the development of the district. The business survey shows that infrastructure has been identified as a problem by local companies. Citizens are also dissatisfied with the condition of the infrastructure, notably with transport and communications. This is one of the reasons for dissatisfaction of local residents. The rate of access and use of the Internet has increased in recent years; in 2012, half of the population had access to and used the Internet.

## Demographics

According to the number of population, Haskovo District ranks eleventh in the country. As of the end of 2012, close to 243 thousand people lived in the district, of which 72% in urban areas. Over the years, there has been a steady downward trend in the number of population, caused by the high negative rate of natural increase, traditionally within 6-7 ppt per year, and the negative net migration rate that increased in the worst years of the economic crisis (2009 - 2010). The people leaving the district mostly move to Plovdiv, Sofia, and Stara Zagora. The emigration abroad peaked in 2010.

Every year, about 2,300 children are born in the district of Haskovo, the majority of them being in urban areas. The birth rate remains relatively low (9‰ in 2012). The age dependency ratios are close to the national average; the population aged over 65 years is 1.5 times more than the population aged under 14, while the population of working age (15-64) is about three times the population aged over 65 years. A significantly worse age dependency is established by considering the ratio between the population aged 65+ years to the population younger than 14 years, which shows that the demographic challenges facing the district are mainly in terms of the fertility rate.

## Education

In the last ten or so years, Haskovo District followed the general trend for the country of shrinking numbers of school students and teachers. During the last four or five years, however, very few schools were closed down. The percentage of school dropouts over the years has been rather high: more than 3%. A tendency of improvement was registered in the past year; this indicator declined to 2.5%, this way approaching the national average.

The scores from the matriculation exam in Bulgarian language and literature in 2013 were lower than the national average (4.04 on average for the district), with over 7% failed students (that is, students who received a score below 3), that was relatively high when compared to the country average. Compared to 2012, however, student performance was slightly better, and in line with the trend for the country.

There is no independent university in the district. Higher education institutions are represented only by a branch of the Trakiyski University (Medical College) which has been admitting students since 2011, and the Regional Centre for Distance Education of the University of National and World Economy. The share of the working age population with higher education in 2012 was 18.5%, that is, below the national average. This makes it difficult for businesses to hire qualified staff.

## Healthcare

The district has 11 hospitals; relative to the population, this is normal for the country. The number of patients who sought hospital treatment in the district is relatively small when compared to the national average: 180 per 1,000 people in 2012, with an upward trend. Doctors in the district, weighted to the population, are relatively less than the country average. This applies to both general practitioners and cardiologists. 88% of the local population have valid health insurance.

The District Development Strategy for the period 2014-2020 listed the following as problems in the healthcare system: the remoteness of the place of supply of medical care; the limited access to health services for people living in smaller settlements that are remote from urban centres; the under-equipped health facilities and the need to increase the qualifications of medical personnel.

Problems related to the organisation and financing of healthcare are also seen in the citizens' surveys. Almost half of the respondents stated that he/she had to travel outside the district to use health services; the leading reason given by respondents was the lack of specialist doctors. One in four citizens, who had used health services in the last 12 months, said he/she had been forced to make unofficial payments.

## Environment

The emissions of carbon dioxide into the atmosphere decreased in recent years, but the district continues to be in the group of districts with relatively high emissions compared to the territory. The ambient air quality is influenced by the proximity of the north-eastern parts of the district to the Maritsa Iztok energy complex and the availability of local sources of pollution, concentrated in the towns of Haskovo and Dimitrovgrad. The municipal waste collected per capita has decreased in recent years; the volume now is below the national average. The District Development Strategy for the period 2014-2020 also listed as a problem the refusal of some municipalities to transport household waste to the designated regional landfills because of the higher costs of transport and the fact that such costs are not covered by the waste collection charge.

Nearly 70% of the population live in areas with public sewerage systems, that is close to the national average. In 2011, half of the population had access to public sewerage connected with a wastewater treatment plant. The new waste water treatment plant of Haskovo was commissioned in 2011; it significantly reduces the pollution of the Maritsa River.

The survey among citizens of the district shows they are relatively satisfied with the environment (nature, water, air) in the district, and their perception of the quality of environment is better than that of other aspects of their lives such as infrastructure, security, employment, and standard of living.

## Social Environment

In 2010, one in two residents qualified as living in material deprivation, that is, struggling to meet their basic needs. The proportion of the poor was 17%, or one in five was below the poverty line. This percentage has dropped dramatically when compared to the period of 2008-2009. One possible explanation is the general decline into poverty; the poverty line also moved down, thus reducing the proportion of people falling below it. This was confirmed by the figures on income inequality in Haskovo District, which show some improvement. The ratio between the incomes of the richest and the poorest 20% of households fell from 7.1 to 4.4 in 2007-2010 and is proof that the stratification of society is not so great, but the leading reason for this were the shrinking employment and the general poverty in the years of crisis.

The past two years have seen a decline in crimes against the person and against property, which had reached a peak in 2010. Despite the relatively low levels of crime, citizens do not report high satisfaction with security at home and outside the home, which can be attributed to the general lack of confidence in law enforcement authorities and the low number (respectively low proportion) of recorded crimes against their real number.

Citizens' life satisfaction is determined mainly by education, health, social life, and housing conditions. The quality of the natural environment also contributes to life satisfaction. At the other extreme, dissatisfaction with life is mostly due to the low income levels and resulting consumption constraints, as well as due to the condition of the infrastructure.

When asked whether they would permanently relocate to another district, one in four people replied in the affirmative. However, one in three categorically stated they had no desire to move to another district. From the data available and the results of the survey, it is evident that the district's problems stem from the economy. The major challenges include employment and income levels, as they are crucial for the satisfaction of local people and the development of the social environment.

## Key indicators for the district of Haskovo

Indicators / year	2008	2009	2010	2011	2012
GDP per capita (BGN, current prices)	5 640	5 136	5 002	n.a.	n.a.
Annual average employment rate of the population aged 15+ (%)	49,1	48,7	45,8	42,2	42,4
Annual average unemployment rate of the population aged 15+ (%)	6,4	8,5	13,2	15,9	14,9
Relative share of people living below the district's poverty line (%)	25,6	20,3	17,2	n.a.	n.a.
Age dependency ratio, 65+ to 15-64 (%)	28,6	28,6	28,9	30,9	31,4
Rate of natural increase (‰)	-6,8	-5,4	-6,4	-6,6	-6,7
Net migration rate (‰)	-3,7	-4,7	-6,6	-4,0	-2,8
Relative share of the population aged 25-64 with tertiary education (%)	18,0	18,6	19,4	17,1	18,5
Percent of failed students at state matriculation exams (%)	6,2	5,7	7,1	7,2	8,4
Average grade at state matriculation exams	4,3	4,3	4,2	4,3	4,1
Share of roads in good condition (%)	n.a.	n.a.	51,5	42,0	44,0
Relative share of households with Internet access (%)	27,1	24,4	26,4	41,3	47,5
Share of the population with access to public sewerage systems, connected to WWTP (%)	0	0	0	46,7	n.a.
Health insured persons as share of the population (%)	84,0	88,8	86,3	88,3	87,5
Infant mortality rate (‰)	9,6	10,1	10,5	9,9	8,7
Number of registered crimes per 1,000 persons of the population	9,9	12,3	13,3	11,8	10,4