

Kardzhali

Population (2012)	151 664
Area (sq. km)	3 209,1
Number of settlements	472
Share of urban population (%)	41,6



Overview

Kardzhali District is relatively underdeveloped, although in recent years it did mark some progress. The poorest district in the country until recently, Kardzhali is already ahead of some others, including the neighbouring district of Haskovo, in terms of GDP per capita. Employment is traditionally one of the lowest in the country, but the last couple of years have seen growth in the number of employed people, quite uncharacteristic for the rest of the country.

The demographic developments in the district are more favourable on the background of prevailing processes in the country, the challenges being mainly related to the net migration rate of the population. The predominantly rural population is characteristic of the district and determines the economic realities, namely low economic activity and low employment, which in turn are a major factor for poverty in the district.

Some interesting contrasts have been observed in education. On the one hand, the district enjoys a very strong secondary education system, that is, a low rate of dropouts and high matriculation scores, but on the other hand, the percentage of university graduates among the adult population is record-low for the country and causes a significant shortage of qualified staff.

Economic challenges do not prevent Kardzhali residents from being relatively satisfied with the living conditions in the district. The low crime rate and good environment are key factors explaining this result.



Economy

The gross domestic product per capita in Kardzhali District is relatively low compared to the national average. However, the district has achieved definite improvement: until recently the poorest region in the country, in the last five years it managed to overtake five or six districts, including Vidin, Montana, Silistra, Sliven, and Haskovo. At the peak of the crisis (2010), employment was one of the lowest in the country, but with steady growth in the last couple of years, the employment rate is already approaching 45% of the population aged 15 and older. The official unemployment figures show low levels that are hard to explain, but the statistics institute itself has questioned the accuracy of the data. The discrepancy is partly explained by the very low levels of economic activity; this means that many people who do not actually work are not counted as officially unemployed.

In recent years, a significant growth in the number of enterprises has been reported, but Kardzhali District continues to be characterized by a small number of companies relative to the size of its population, along with the districts of Targovishte and Montana. There is a certain degree of connectedness between the economic realities in the district and political processes in the country: for example, public works projects and policies targeting tobacco growers.

Leading positions in the economy of Kardzhali are occupied by the tobacco growing and manufacturing industry, in particular the food processing industry and the textile and clothing industry. Labour market data suggest that the industry provides relatively more jobs compared to the national average, while trade fails to reach the levels of employment observed in other districts.

At the end of 2012, EU funds under the operational programmes disbursed to municipal administrations in the district ran at BGN 19.3 million against BGN 13 million a year earlier, with the absorption rate per capita lagging behind the average pace for the country. Foreign direct investment is relatively low and when weighted against the population, is similar to that in Shumen and Yambol.

Taxes and Administration

Local taxes and charges in municipalities in the district are around the national average: only garbage collection charges are distinctly higher than in most other districts. In the town of Kardzhali, local taxes are relatively low compared to other district centres.

The local business community's corruption perceptions are at relatively low levels compared to those in the country; more negative assessments are given to the judiciary. Unofficial payments seem to be rare. The scores given by businesses to the performance of local authorities show that dissatisfaction is mainly caused by the speed of service.

The administrative services provided by municipalities continue to be a challenge. According to feedback from municipalities themselves, the level of provision of electronic services is most frequently at the "one-way interaction" level (the second level of four possible) while one-stop-shop services are mostly at the "developing" stage (second out of four possible). In the last year, only 20% of companies used online services; in addition to downloading forms, they also sent the completed forms back electronically.

Infrastructure

The density of the road network in the district is at levels above the national average, but these are mostly Class Two and Class Three roads. The quality of the road surface is poor; in 2012, only 27% of the surface was reported to be in good condition. Railway transport is underrepresented, with the density of railroads being one of the lowest in the country. There are areas that are very remotely situated from railroads and are served only by road transport.

Internet access and Internet use in Kardzhali improved in recent years, with almost half the population having access and using the Internet. The business survey shows that infrastructure has been identified as a problem by local companies. Citizens also reported dissatisfaction with the state of the infrastructure; it is one of the most negative factors for the overall satisfaction of respondents, along with income levels.

Demographics

For the past ten years the population of Kardzhali District decreased by nearly 7%, this being a relatively slow rate of shrinking against the national average. The main reason is the low negative rate of natural increase (values close to zero before 2011), which is not typical of the country. In 2012, Kardzhali District came even on this indicator with the districts of Varna and Sofia (capital city). The net migration rate is traditionally strongly negative; in some years (2009 and 2010) the population declined by more than 1,000 people due to the relocation of residents to other district or abroad. Within the country, Kardzhali residents mostly move to Sofia,

Plovdiv, and Haskovo. In 2011 and in 2012, this trend decreased; emigration abroad also dropped significantly. About 1,500 children are born every year, the majority of them in rural areas. The birth rate is equal to the national average. Kardzhali is the district with the highest proportion of rural population: just under 60%. Only Razgrad and Silistra districts resemble Kardzhali in terms of the predominantly rural population. The age dependency ratio is better than the country average, with the population aged over 65 being 1.2 times more than the population aged 14 years or younger. The population aged over 65 is about a quarter of the population aged 15 to 64 years. However, the demographic situation has been following the general developments in the country and is deteriorating. For comparison, in 2006 the ratio between elderly people (over 65 years) and children (14 yrs. or younger) was one to one.

Education

Over the past 10 years, Kardzhali District followed the general trend in the country of a decreasing number of students which entails the lay-offs of teachers. In the last two or three years almost no schools were closed down; in 2012, the number of schools was 81. Kardzhali is one of the districts with the largest number of teachers per 1,000 students; only Smolyan tops this result by about one teacher for every 10 students. Kardzhali and Smolyan are also the districts with the least population per one school.

School dropouts are less than 2% of all students in 2012. This is quite an achievement compared to other districts in the country. The percentage of repeaters is also low. The scores from the matriculation exam in Bulgarian language and literature in 2013 were quite high: an average score of "Very Good" (4.6) for the district, which is the best result in the country and even ahead of the capital Sofia. The percentage of fail scores, i.e. less than "Pass" (3) is close to the country average.

There is no university in the district, but there are branches of the Mining and Geology University and the University of Plovdiv. Both schools attract students from neighbouring districts and have a positive influence on the district centre. However Kardzhali District has the lowest percentage of university graduates: only 11% of the population aged 25-64 has tertiary education, the national average being twice as high. This explains to some extent the economic problems in the district and the lack of qualified staff.

Healthcare

The number of patients who received treatment in multiprofile hospitals in Kardzhali District remains at relatively low levels - 166 per 1,000 population in 2012. Doctors in the district weighted against the population are very few in number compared to the country average, and this unfavourable ratio applies both to general practitioners (whose concentration is lowest in the Kardzhali District) and to other key specialists such as cardiologists, for instance.

An interesting process is observed with health-insured people in the district. According to official statistics, the health insured persons in Kardzhali in 2012 were more than the population of the district. This strange growth in the number of health-insured residents has been observed since 2009, when another 30 thousand health insured persons "appeared". The question still remains as to what caused this huge increase in the number of health-insured residents and why their number exceeds the entire population of the district: such distortion in the data has not been observed anywhere else in the country.

Unofficial payments for health are not a common practice: only one in ten people who had used medical services in the last 12 months responded he/she had made such payments. One in four respondents stated that he/she had had to travel outside the district to receive health services, with the main reason given by respondents being the lack of good specialist doctors. The latter is a clear indication that the problems with the delivery of health services in the area are serious.

Environment

The district is characterized by low emissions of harmful substances (carbon dioxide) into the atmosphere; lower emissions were only reported in the districts of Smolyan, Montana, and Yambol. The municipal waste collected per population served fell sharply in 2010; in 2011, the figures were already the lowest in the country. The collection and transportation of waste does not operate efficiently in the rural parts of the district.

The share of the population with access to public sewerage connected to waste water treatment plants is below 5%; similar rates are observed only in the districts of Vidin, Silistra, and Yambol. This could be attributable to the overwhelmingly rural population. Efforts were made on this issue over the last two years, and by the end of 2012, three new treatment plants were under construction.

The survey among citizens showed a very high level of satisfaction with the environment (nature, water, air) in contrast to other aspects of their lives, including income level, employment, and infrastructure.

Social Environment

Data on the population living in material deprivation is extremely variable in Kardzhali District, which casts some doubt on its accuracy. After almost 70% of local residents fell in the group of those living in material deprivation in 2009, the following year this number decreased by almost one-half, down to 40% of the population, without visible improvement over that period in terms of employment or income levels in the district. Interestingly, Kardzhali District is characterized by low levels of relative poverty, which reveals a more equal income distribution. The ratio between the incomes of the poorest and the richest 20% of households is about four times, which is very good against the country average. In practice, the population in the district is poor, but relatively equal in its poverty; that is, the problem lies not so much in income distribution as in the fact that incomes are generally low.

Kardzhali is one of the safest districts in the country; in 2012, there were only six reported crimes per 1,000 population. The statistics on this count is only better in Smolyan District. Citizens are also satisfied with the level of security; with very few exceptions, this is not typical of the country.

The population of Kardzhali District appears to be satisfied with living conditions, despite the economic problems. Citizens said that their satisfaction is mostly based on the quality of housing, education, health, social life, and the environment. Dissatisfaction is mostly due to the lack of job opportunities, low incomes, and consumption constraints.

When asked whether they would permanently relocate to another district, one in five people replied in the affirmative. However, nearly half stated categorically that they did not wish to move to another district. The survey results show that the district's problems are rooted in the economy, with employment and income being the biggest challenge.

Key indicators for the district of Kardzhali

Indicators / year	2008	2009	2010	2011	2012
GDP per capita (BGN, current prices)	5 389	5 076	5 030	n.a.	n.a.
Annual average employment rate of the population aged 15+ (%)	42,3	41,4	36,4	41,5	44,2
Annual average unemployment rate of the population aged 15+ (%)	1,5	2,7	4,9	5,1	9,0
Relative share of people living below the district's poverty line (%)	12,1	12,4	16,6	n.a.	n.a.
Age dependency ratio, 65+ to 15-64 (%)	22,4	22,5	23,1	24,9	25,1
Rate of natural increase (‰)	-0,5	-0,2	-0,7	-2,6	-2,1
Net migration rate (‰)	-3,7	-8,1	-6,8	-3,5	-2,4
Relative share of the population aged 25-64 with tertiary education (%)	13,3	11,3	10,3	8,9	11,2
Percent of failed students at state matriculation exams (%)	3,1	5,6	6,2	3,0	4,2
Average grade at state matriculation exams	4,3	4,3	4,3	4,5	4,5
Share of roads in good condition (%)	n.a.	n.a.	23,8	24,6	27,0
Relative share of households with Internet access (%)	8,0	9,1	11,5	29,7	54,0
Share of the population with access to public sewerage systems, connected to WWTP (%)	0,0	0,4	3,7	4,0	n.a.
Health insured persons as share of the population (%)	86,1	107,2	101,7	101,6	100,6
Infant mortality rate (‰)	10,8	8,7	8,7	11,8	7,7
Number of registered crimes per 1,000 persons of the population	6,0	6,7	7,3	6,9	6,0