

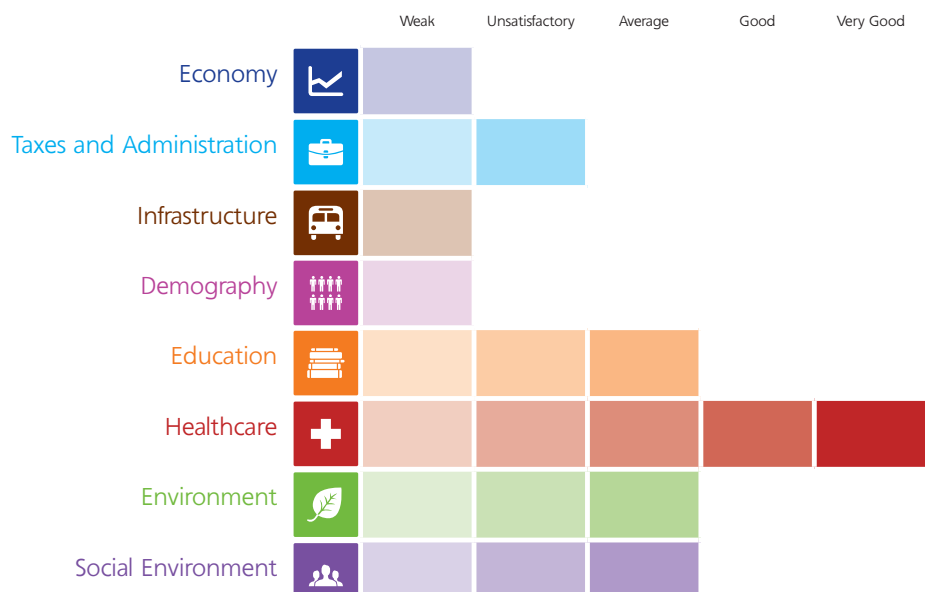
Kyustendil

Population (2012)	133 891
Area (sq. km)	3 051,5
Number of settlements	183
Share of urban population (%)	69,0



Overview

Kyustendil District is characterized by weak economic and infrastructure development. Employment, incomes and investment activity are among the lowest in the country. The deepening demographic issues and the shortcomings in the work of local administration create additional obstacles to improving the business environment and overcoming the consequences of the economic crisis. The environmental quality in the district has been rated as “average”, the major negative factor being the high concentration of harmful emissions into the atmosphere. Most social indicators have shown improvement over the last year, with the exception of recorded crime. Despite the relatively good material situation of the health care system in the district, citizens gave poor scores to its quality and accessibility. Kyustendil is one of the few districts in the country with no universities or branches of universities.



Economy

Although in 2012 there were certain signs of improvement, the economy of Kyustendil remains in a difficult situation. In 2012, about 50 thousand people were employed in the district, compared with more than 65 thousand in 2008. The labour market in the district has the worst indicators in the South West region of the country. After reaching 49.5% in the pre-crisis years, the employment rate of the population aged over 15 decreased to a level of 43.2% in 2012. In 2012, unemployment in the district slowly decreased but continued to be quite high: over 14%. The business survey conducted in May 2013 showed that the outlook for the local labour market remains negative. The majority of entrepreneurs have no intention of increasing the number of employees over the next 12 months.

The main reason for the poor state of the labour market is the extremely low investment activity in the region. Kyustendil District ranks last in the country in the ratio of companies' expenditures for fixed tangible assets and the number of the local population. Relative to the number of population, only the districts of Silistra and Montana have attracted less foreign investment by the end of 2011. The gross domestic product per capita is four times lower than GDP in the capital city and is commensurate with the levels in the neighbouring district of Pernik. The average annual income per household member (BGN 3,508) still remains depressed and has not reached its 2009 levels.

The rate of absorption of EU funds is also extremely low. Most of the contracted funds are under the Operational Programme "Environment", with the most active municipalities being Kyustendil, Dupnitsa, and Bobov Dol.

Taxes and Administration

Local businesses' rating on the performance of district and municipal administrations is among the lowest in the country (2.9/5.0). Besides Kyustendil, the only district in the country with a similar result is Kardzhali. In terms of corruption perceptions, the lowest level of confidence is in the judiciary, the municipal administrations, and the district administration.

Surveyed business representatives described administrative services as "slow", and the requirements set by local authorities as "vague". The majority of municipalities reported an advanced stage of preparedness to provide one-stop-shop services. The development of e-services is lagging behind in most municipalities; only the Bobov Dol municipality provides two-way communication with companies.

The tax environment in the district is relatively favourable, and in most cases local taxes and charges are at levels close to the national average or a little below. The tax rate for the annual retail license tax is unreasonably high given the economic realities in the district; in the municipalities of Rila and Dupnitsa it is at levels more typical of district centres. The rate of waste collection charges for non-residential property owned by companies is highest in the municipalities of Kocherinovo, Rila, and Bobov Dol.

Infrastructure

In the 2007-2012 period, about 20% of the roads in Kyustendil District that are part of the national road network were completely renovated or rehabilitated. According to the Road Infrastructure Agency, about half of the roads in the district were in good condition in 2012. The road network density is higher than the national average, but three-quarters of the roads are Class Three roads. In the summer of 2013, 14 km from Lot 1 of the Struma Highway were put in operation (the Dolna Dikanya - Dupnitsa section). However, prior to the completion of construction works on Lot 2 (Dupnitsa - Blagoevgrad), the effect of the newly built road is expected to be limited.

The density of the railway network is higher than the national average, and more than half of the lines are electrified. The majority of citizens are mostly dissatisfied with the quality of local infrastructure. The average score for Kyustendil is 2.5/5.0 at 2.8/5.0 average for the country.

According to NSI, local households' access to the Internet is the lowest in Bulgaria: only 31.7% in 2012, at an average of 50.9% in the country. Consequently, less than four in ten people aged 16 to 74 reported Internet use in the 12 months prior to the survey.

Demographics

In 2012, the average annual population of Kyustendil District was about 134 thousand people, 69% of them living in urban areas. Kyustendil, Gabrovo, and Vidin are the only districts in the country in which to each person under the age of 15 years there are two or more persons over the age of 65. The ratio between the population of working age and elderly people is also unfavourable; to each person over 65 years there are less than three people of working age.

Kyustendil is one of the districts with the worst rate of natural increase, in the period 2001-2011. The lowest negative value for the period is 8.7‰ (in 2008), with an average of 4-5‰ in the country. Population growth in the period between the last two official censuses (2001 and 2011) shows a very pronounced negative trend in some of the municipalities. Over that period, in the municipalities of Nevestino and Treklyano the population decreased by 36.8% and 44.9%, compared to an average of 15.9% for the district. During the period, the most slowly declining population is that of Dupnitsa: by 12.6%.

Education

In 2012, three schools were closed in the district. These were the first schools to be closed since 2008, bringing the total number to 46. Unlike the majority of citizens in other districts, local residents gave a low score to the performance of the educational institutions; the rating on this indicator is worse only in Razgrad.

The net enrolment rate of students in grades 5th through 8th is below the national average. Lower values for this rate are only observed in four districts: Sliven, Ruse, Pernik, and Vidin. However, the proportion of repeaters is not high (0.6% in the 2012/2013 school year), and the proportion of dropouts from primary and secondary education continues to decrease, reaching 1.7%. Compared with the rapid depopulation of the district, especially in some municipalities, the low proportion of dropouts from education may be due to the desire to keep the maximum number of students in school in order to avoid the closure of classes and entire schools. The percentage of students who failed to pass their matriculation exam in Bulgarian language and literature is usually higher than the national average, but the number of those who got a "pass" score is in line with those in most districts.

Kyustendil is one of the few districts in the country with no universities or branches of universities. However, the proportion of persons aged 25 to 64 who have completed tertiary education is gradually increasing, reaching 19.4% in 2012.

Environment

Citizens of the district gave high marks to the environment (3.8/5.0); scores on this indicator are only higher in Smolyan and Lovech. Part of Kyustendil District is occupied by the National Park Rila and about one-third of the district's area falls under the protection of Natura 2000. At the end of 2011, nearly three-quarters of the population of the district had access to public sewerage, the majority being connected to waste water treatment plants. On both indicators, the district is performing better than the national average.

However, there are a number of factors in the district of Kyustendil which lower the score for the quality of the natural environment. The emissions of carbon dioxide into the atmosphere remain at high levels; relative to the surface area, higher concentrations are only observed in the districts of Varna, Sofia (capital city), and Stara Zagora.

Illegal landfill sites continue to be a problem for the environment in the district. At the same time, the project for a regional site for processing of municipal waste in Kocherinovo has not yet started; it is part of the National Waste Management Programme (2009-2013). Besides municipalities in the Kyustendil district, the landfill should, according to plans, also serve some municipalities in Blagoevgrad District.

Healthcare

The positive appreciation of the state of the healthcare system in Kyustendil District is mostly due to the quality of its facilities and staff. The district has enough specialists in both disciplines used for the purposes of this survey: ("Internal Medicine" and "Cardiology") compared to the total number of population in the district. The ratio of the number of GPs and the population is also more favourable than average. In addition, over 90% of the district's residents have valid health insurance, which may be attributed to the high average age of the population. There is a larger share of residents with health insurance only in Gabrovo District.

Following the closure of the hospital in Bobov Dol municipality in 2010, five hospitals continue to operate in Kyustendil District. There are 4.8 beds in multiprofile hospitals for active treatment per thousand inhabitants in the district, which is above average for the country.

At the same time, morbidity in the Kyustendil District, measured by the ratio between the patients who received hospital treatment and the average annual population, is above average, although the rating given by citizens to local health facilities is relatively low. In five of the municipalities in the district there are no facilities for inpatient or outpatient care. These are the municipalities of Boboshevo, Kocherinovo, Nevestino, Rila, and Treklyano.

Social Environment

Although the surveyed inhabitants of Kyustendil District are satisfied with most aspects of their social environment, over 16% of them stated they were prepared to leave the district, at an average of 12.5% for the country. The main reason for this is the low standard of living in the district. According to the latest NSI data, about 17% of the population in the district live in households with low work intensity and nearly half of the people fall into the group of those living in material deprivation. The share of the poor is 16.5%, compared with average levels of slightly above 22% for the country.

During almost the entire period of 2000-2010 the crime rate in the district is lower than the national average. In recent years, its level has increased, and in 2012 only five districts reported less favourable results.

Since 2009, there has been increased interest in the theatre, and visits to the theatre more than doubled. At the beginning of 2012, a municipal cinema was opened in Kyustendil.

Key indicators for the district of Kyustendil

Indicators / year	2008	2009	2010	2011	2012
GDP per capita (BGN, current prices)	5 478	5 316	5 651	n.a.	n.a.
Annual average employment rate of the population aged 15+ (%)	49,5	45,7	45,0	43,7	43,2
Annual average unemployment rate of the population aged 15+ (%)	8,3	8,6	9,0	14,9	14,2
Relative share of people living below the district's poverty line (%)	19,9	13,1	16,3	n.a.	n.a.
Age dependency ratio, 65+ to 15-64 (%)	31,4	31,7	32,4	36,1	37,2
Rate of natural increase (‰)	-8,7	-9,1	-9,9	-10,8	-11,5
Net migration rate (‰)	-2,5	-4,3	-7,6	-3,2	-4,9
Relative share of the population aged 25-64 with tertiary education (%)	16,1	17,7	17,2	20,7	19,4
Percent of failed students at state matriculation exams (%)	5,9	7,5	6,6	5,2	8,0
Average grade at state matriculation exams	4,2	4,1	4,2	4,4	4,2
Share of roads in good condition (%)	n.a.	n.a.	49,1	49,8	50,0
Relative share of households with Internet access (%)	24,0	22,9	21,4	35,2	31,7
Share of the population with access to public sewerage systems, connected to WWTP (%)	55,6	56,1	59,1	60,3	n.a.
Health insured persons as share of the population (%)	88,6	88,8	88,2	91,8	91,3
Infant mortality rate (‰)	6,6	5,7	6,4	4,6	7,9
Number of registered crimes per 1,000 persons of the population	13,4	13,9	15,8	16,0	15,8