

Montana

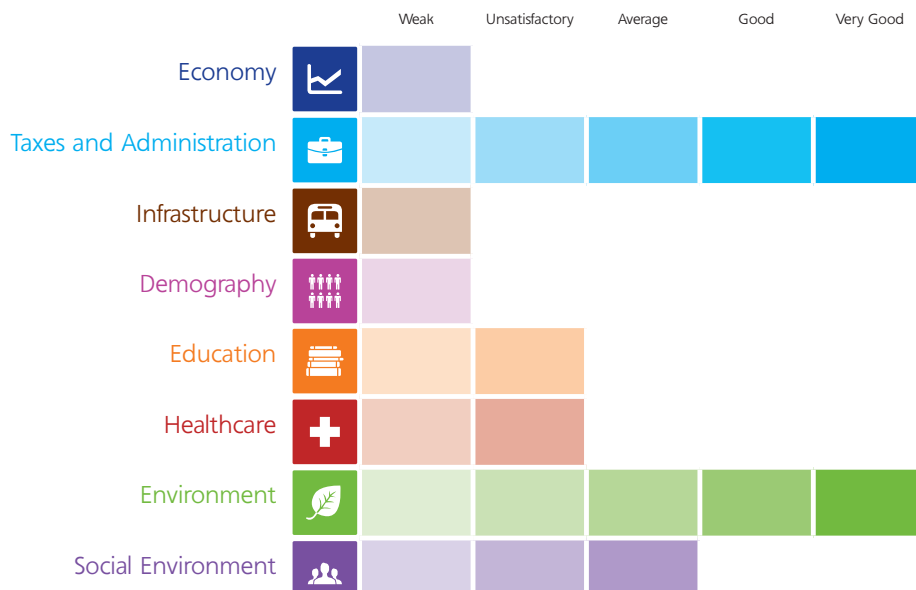
| | |
|-------------------------------|---------|
| Population (2012) | 144 814 |
| Area (sq. km) | 3 635,6 |
| Number of settlements | 131 |
| Share of urban population (%) | 64,2 |



Overview

Montana District is part of the North West planning region, which is the least developed region in the European Union. In 2012, a little more than 144 thousand people were living in the district. Despite its favourable geographic location, proximity to the capital city and positive rating in the “Taxes and Administration” and “Environment” categories, Montana District not only failed to move up from its bottom positions in most categories, but actually worsened its performance in some of them.

Economic activity remains weak, which determines the low standard of living in the district. Investment is limited and the implementation of infrastructure projects key to the development of the district and the region as a whole continues to be delayed. The quality of healthcare and education in the district is rated as unsatisfactory, and the negative demographic processes are among the most intense in the country.



Economy

Montana District reported the fourth lowest GDP per capita in 2010: BGN 4,849. Unemployment has continued to grow since 2009, and in 2012 reached almost 15%. The low employment rate of the population over the age of 15 has persisted: 39.2%, compared to the national average of 46.6%.

In sectoral perspective, over the period of 2007-2011, the number of companies in agriculture and trade has increased. In the years after 2007, there has been an increase in the value of agricultural products produced in the district, and a decline in industrial production. This trend can be explained by the increased investment in agriculture, the observed increase in agricultural prices over the period, and the consolidation of agricultural land plots and increase in cultivated areas.

In 2011, companies' expenditures for acquisition of fixed tangible assets increased by over 68% (the fourth highest rate in the country) to BGN 165 million, reaching 2008 levels. The increase was primarily due to the increased investment in agriculture. For the period of 2007-2011, there was a worrying process of stagnation and decline (in some years) of the fixed tangible assets in industry. Montana District continues to be unattractive to foreign investors. The accumulated foreign direct investments by the end of 2011 were only 25 million euro; lower concentrations of foreign capital were only observed in Silistra district.

Taxes and Administration

The district received one of the highest marks in the country in this category, which is primarily the result of the lower rates of local taxes and charges. Retailers renting an area of less than 100 square meters pay the second lowest license tax in the country: BGN 4.8/sq. m., the average tax in the country being over BGN 10. The waste collection charge for legal entities (6.5‰) is also below the average for Bulgaria (7.5‰). There is an extremely low perception of corruption in the district; only institutions in Smolyan District enjoy greater confidence among local businesses.

Electronic services in the district are gradually gaining popularity and expanding; there is also a gradual increase in the preparedness of some municipalities to provide businesses and citizens with one-stop-shop services. This is a positive signal, especially given the difficult socio-economic situation and the need for targeted policies to increase the economic activity in the region. In 2013, the rating given to the performance of the district and municipal administration (3.4/5.0) is slightly higher than the national average: 3.3/5.0.

The challenge for local authorities continues to be the retention of highly qualified personnel, particularly in positions related to the development and implementation of projects under EU programmes. Low wages are the main reason for this rapid turnover.

Infrastructure

Montana is one of the districts with the lowest values of indicators in the "Infrastructure" category. Although the density of the road network (16.6 km/100 sq. km) is slightly lower than the national average, the quality of roads is extremely low. The relative share of first class roads (8.6%) is the lowest of all districts in the North West region (11.4%) and almost half the national average (15.2%). Only 22% of the road surface is of good quality, at nearly 40% nationwide. In 2012, Montana was one of the twelve districts in which the quality of roads has continued to deteriorate.

An important project in the context of the recently commissioned second bridge over the Danube and the expected growth of transit traffic is the construction of the Vidin - Botevgrad express road. The road will cross the territory of Montana District, but the project continues to be delayed. Major renovation is being carried out on the Lom-Montana-Sofia road at the Petrohan Pass, which should be completed in 2013. The 35-year concession contract for the port of Lom signed in 2013 foresees investments of BGN 22.4 million, of which BGN 6.8 million must be invested in the first four years.

In 2012, 37.5% of households in the district had access to the Internet, which is significantly below the national average (50.9%). The only district in the North West region with a higher rate (45.8%) is Vratsa.

Demographics

The average annual population of Montana in 2012 was just over 144 thousand people, with a continuing downward trend. Two-thirds of the population lives in urban areas. In the period of 2007-2011, the population was declining at the fastest rate in the municipalities of Georgi Damyanovo (-16%) and Brusartsi (-14%), and the slowest rate was reported in the municipalities of Montana (-6.8%) and Chiprovtsi (-8.4%). In 2012, the natural growth rate dropped to -12.8‰, with only Vidin District reporting a higher negative growth. The value is more than double the national average (-5.5%).

Although since 2001, more people have been leaving the district than moving into it, only 9% of local respondents in 2013 said they were inclined to move elsewhere if the opportunity presented itself. The share of “undecided” respondents continues to be high: 8.3%, against an average of 4.5% for the country.

Montana District reported the fifth most unfavourable ratio between the population over 65 years to the population under 14 (183.6%, at the national average of 140.9%). The population aged 65 and over was 38.4% of that 15 to 64 yrs. of age, making Montana the fourth district with the worst value for this indicator, at a national average of 28.5%.

Education

The quality of education in the district is inadequate. The net enrolment rate of the population in grades 5th through 8th is the same as the national average (81%), but the proportion of dropouts from primary and secondary education (3.0%) is higher than the national average (2.4%). In 2012, the only district with a higher proportion of repeaters was Dobrich.

Traditionally, students’ scores at the state matriculation exams in this district are lower than elsewhere. The only year in which the percentage of “fail” scores (below 3.00) in Montana was lower than the national average was the 2010/2011 school year. In 2012, 6.4% of those completing their secondary education failed the exam in Bulgarian language and literature, which continued the negative trend. Since 2008, the average grade from matriculation exams in the district has invariably been lower than in the rest of the country. In the school year 2012/2013 the average score was “Good” (4.17), compared with (4.26) at the national level.

In 2012, 18.1% of the local population aged 25 to 64 years had tertiary education, which is significantly lower than the national average (24%). There are no higher education establishments in the district.

Healthcare

Staffing of the health system continues to be a problem. The ratio between the average number of population and the number of general practitioners in the district shows values close to the national average. At the same time, there is a significant disproportion in the population’s access to specialised medical care. One specialist in Internal Medicine serves nearly 8 thousand people, at an average of 5.3 thousand for the country, while one cardiologist serves 10.3 thousand people at an average of 6.4 thousand people for the country.

There are three multiprofile hospitals for active medical treatment and two specialised hospitals in Montana. Since 2003 there have been no significant changes in the structure of hospitals in the district. The number of beds in hospitals per thousand population (5.0) is higher than the country average (4.4). Morbidity (as measured by the number of patients who stayed at multiprofile hospitals for active treatment) is one of the highest in the country: in 2012, it was 250 per 1,000 people. In 2012, the share of residents with valid health insurance was 87.1% of the total population, which is consistent with the national average.

Environment

The high rating given to the quality of the environment of Montana District is due largely to its underdeveloped industry. Annual carbon dioxide emissions totalled 5.4 tonnes/sq. km. Only the district of Smolyan reported lower levels, while the average amount for the country is more than 400 tonnes/sq. km. In recent years, the concentration of particulate matter in ambient air has decreased; the likely reason for this is the developing local gasification.

Although the entire population is covered by the organised waste collection system, illegal landfills remain a serious problem. In 2011, 252 kg of municipal waste were collected per person of the population served, which is significantly below the national average (379.8 kg). The district has one operating regional landfill for non-hazardous waste located in the town of Montana. Sewerage systems were built in only three places: the towns of Montana, Lom, and Varshets. About 58% of the population in the district has access to public sewerage systems. At the same time, only a third of it is connected to waste water treatment plants, compared to an average of 55.7% for the country.

Locals residents rate the quality of the environment as relatively good (3.3/5.0), at an average of 3.2/5.0 for the country.

Social Environment

The low standard of living and depopulation lead to a risk of social exclusion of a large portion of the population. In 2010, 22.2% of residents in the district belonged to households with low work intensity, which is more than double compared to the average for Bulgaria. Against the backdrop of the overall negative socio-economic situation in 2010, however, only 28.5% of the population were reported as living in material deprivation, at 43% national average. In the same year, the share of the poor relative to the poverty line in Montana District (17.7%) was lower than the national average (22.3%) and has registered a downward trend since 2007, when it reached 28.9%. The reason for this can be sought in the fact that the poverty line is the lowest among the districts in the North West region. Compared with BGN 3,405 per person national average, this indicator for Montana District is BGN 2,400.

There are no cinemas in Montana District, and interest in the theatre is small and has been gradually decreasing since 2010. In 2012, only seven thousand visits were registered.

The number of recorded crimes against property and against the person in Montana District is traditionally close to national average, albeit slightly lower. The only institutions in the district receiving higher-than-average ratings of their work performance by local residents are the police and the labour bureaux.

Key indicators for the district of Montana

| Indicators / year | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|-------|-------|-------|-------|-------|
| GDP per capita (BGN, current prices) | 5 407 | 5 006 | 4 849 | n.a. | n.a. |
| Annual average employment rate of the population aged 15+ (%) | 43,6 | 42,9 | 40,6 | 39,1 | 39,2 |
| Annual average unemployment rate of the population aged 15+ (%) | 8,5 | 10,1 | 12,2 | 14,1 | 14,9 |
| Relative share of people living below the district's poverty line (%) | 25,5 | 23,4 | 17,7 | n.a. | n.a. |
| Age dependency ratio, 65+ to 15-64 (%) | 35,2 | 35,3 | 35,5 | 37,7 | 38,4 |
| Rate of natural increase (‰) | -11,0 | -10,5 | -12,3 | -12,3 | -12,8 |
| Net migration rate (‰) | -7,2 | -4,8 | -6,2 | -3,2 | -3,4 |
| Relative share of the population aged 25-64 with tertiary education (%) | 16 | 15,7 | 15,4 | 15,8 | 18,1 |
| Percent of failed students at state matriculation exams (%) | 6,2 | 5,6 | 6,8 | 3,2 | 9,4 |
| Average grade at state matriculation exams | 4,2 | 4,1 | 4,1 | 4,4 | 4,1 |
| Share of roads in good condition (%) | n.a. | n.a. | 24,8 | 25,8 | 22,0 |
| Relative share of households with Internet access (%) | 17,5 | 19,1 | 22,7 | 29,0 | 37,5 |
| Share of the population with access to public sewerage systems, connected to WWTP (%) | 4,1 | 4,2 | 33,3 | 33,9 | n.a. |
| Health insured persons as share of the population (%) | 87,9 | 88,9 | 85,4 | 87,9 | 87,1 |
| Infant mortality rate (‰) | 12,4 | 9,4 | 8,6 | 7,9 | 14,4 |
| Number of registered crimes per 1,000 persons of the population | 13,6 | 15,0 | 16,4 | 14,3 | 14,1 |