

# Kyustendil District

▶ Population (2014)	129,135
▶ Area (sq. km)	3,051.5
▶ Number of settlements	183
▶ Share of urban population (%)	69.4



## Overview

The economic development of Kyustendil District has been assessed as unsatisfactory. Kyustendil is one of the districts where the recovery of the labour market is yet to happen. Investment activity has gradually intensified, but levels have remained low. In the utilisation of EU funds it has also lagged behind. The infrastructural development of the district has been relatively good, but information technology has made little progress. Taxes are among the lowest in Bulgaria, but administrative services have not reached the necessary level. The positive grade in the field of incomes and living conditions is due to the favourable indicators

for poverty and social inclusion, and not to the income levels.

The demographic trends have been among the most negative ones in the country. School education quality is low, and there is no institution of higher education in the district. Cultural life is not particularly intensive either. The good connectivity to sewage and waste water treatment plants is not sufficient to offset the harmful emission levels and to bring the district positive evaluation in environmental protection. Kyustendil is one of the three districts rated lowest in the Security and Justice category. The only field in which the district has received a very good grade is healthcare.

### ECONOMIC DEVELOPMENT



#### Income and Living Conditions



#### Labor Market



#### Investment



#### Infrastructure



#### Taxes and Fees



#### Administration



### SOCIAL DEVELOPMENT



#### Demography



#### Education



#### Healthcare



#### Security and Justice



#### Environment



#### Culture



## ECONOMIC DEVELOPMENT ●●

### Income and Living Conditions ●●●●

The good grade of Kyustendil District in this category is due to the improved living conditions and social inclusion. Barely 14.6% of the district's population lived in poverty in 2012, compared to the national average of 21%. The share of the population living in material deprivation (41%) has also been below the country average of 43%.

The annual average income per household member has remained among the lowest in Bulgaria, mainly due to the low salaries in the district. As a result of the low salaries and the district's demographic picture, almost 40% of household incomes were generated by pensions compared to 27% for the country.

Kyustendil was one of the five districts where GDP per capita was less than 6,000 BGN in 2012 compared to the national average of almost 11,000 BGN. The other four were Pernik, Silistra, Sliven and Vidin.

### Labour Market ●

The labour market in the District remained depressed, without any signs of recovery from the last crisis. Unlike the ongoing improvement of the employment rate on a national scale, here it continued to drop reaching 41.7% in 2014 – the lowest level since 2005. The economic activity also diminished, i.e. part of those who had not succeeded in finding any job, gradually left the labour market. The unemployment rate has been about 14–15% since 2011, but despite being high, it has remained well below the levels for Shumen (21.1%), Vidin (22.2%) and Smolyan (19.4%).

In 2014 there were 47.9 individuals aged 15–19 per 100 individuals aged 60–64, who were about to leave the workforce. The only two districts, where this ratio was worse, were Smolyan (46.6) and Gabrovo (47.0).

### Investment ●

Kyustendil has the lowest grade in investment activities. FDIs in non-financial companies, relative to the local population, reached 300 euros per capita as at the end of 2013, which was ten times less than the country average and the second lowest after Montana (270 euros per capita). No municipality in the district has achieved the country's average level of utilisation of EU funds.

The sharp increase in the expenditure on acquiring FTAs is a good trend in investment activities. It exceeded 1,000 BGN per capita in 2013, for the first time since 2008. Therefore, the district does not rank last according to this indicator, as has frequently been the case in recent years. Figures, however, have lagged behind the country average of 2,490 BGN per capita.

### Infrastructure ●●

The density of the road and railway networks in the district – 19.3 km, 4.0 km respectively, per 100 sq. km – has been higher than the country's average of 17.7, and 3.6 km respectively, per 100 sq. km. Notwithstanding the commissioning of the first sections of the Struma highway, the share of roads in good condition went down from 50% to 46.4% in 2013 and 2014, but remained above the national average of 39–40% over the period.

Slightly under 40% of households had Internet access in 2014: only the district of Vratsa reported a lower value – 38.5%. The relative share of individuals that used the Internet in 2014 was similar – 46.1% for the district compared to 60% for the country.

### Taxes and Fees ●●●●●

The level of local taxes and fees is considerably lower than the country average; the tax environment is more favourable only in Gabrovo and Ruse. The low rate of the annual waste collection charge for properties of legal entities in the district centre – Kyustendil Municipality – draws attention. This charge has amounted to 1.4‰ since 2014, provided the companies declare the number of required waste collection vessels. The only district centre with a lower rate of the annual waste collection charge is Sliven Municipality – 1.2‰. In addition to being low, the levels of local taxes and fees have stayed the same in time. The increase of the annual license tax for retailers in Bobovdol Municipality was one of the few exceptions in 2014 – from 4.00 to 5.20 BGN per sq. m.

### Administration ●●

Kyustendil has traditionally got low grades in administrative services. The average Active Transparency Rating of local government bodies in the district by the AIP Foundation has been the lowest for two years in a row – 32.4 points out of 88.4, the average of all municipalities being 54.5 points in 2015. Separeva Bania Municipality got the lowest grade (20.7 out of 88.4 points), and Kocherinovo Municipality got the highest (54.7 out of 88.4 points).

Some improvement in both the level of local government e-services and the degree of providing one-stop shop services was reported in 2015. The share of territory included in cadastral maps is 18.9% from the district's territory, which is close to the country average of 18.1%. Over 82% of the included territories, however, are located within two municipalities only: Dupnitsa and Rila.

## SOCIAL DEVELOPMENT ●●

### Demography ●

The district's population slumped by 18.9% from 2005 to 2014 – from 153,600 to 129,100 people. Only four districts reported a sharper population decline during this period – Vidin (26%), Montana (20%), Lovech (19%) and Vratsa (19%).

There has been a natural decrease in the population – about two times more unfavourable than the country average for the past decade. Every year, more people leave the district than settle in it. Only the districts of Smolyan, Vidin and Vratsa had a higher negative net migration rate in 2014.

Kyustendil is one of the four districts in Bulgaria, where the number of people aged 65+ is twice as big as that of the population aged 0–14. The other districts are Gabrovo, Pernik and Vidin.

### Education ●●

Although most indicators for enrollment and retention of students were at favourable levels, the quality of education is relatively low. The average grades of school-leavers at state matriculation exams were 4.07 in 2015 compared to the country average of 4.21. The share of failures surged compared to 2014 – from 4 to 10%.

Kyustendil is one of the five districts which have no institutions of tertiary education. This could be due to the entire socioeconomic development of the district, but also to its proximity to the most reputed university centres in Bulgaria – Sofia (capital city) and Blagoevgrad. 23.7% of people aged 25–64 had university degrees in 2014, compared to the country average of 27.0%.

### Healthcare ●●●●●

The District's high rating in the field of healthcare is due to the improved indicators for access to health services.

There were about 650 beds at MpHATs in 2014, or 5.1 beds per 1,000 people, compared to the country average of 4.8. The number of cases of hospitalisation in MpHATs plunged from 238.4 cases per 1,000 people in 2013 to 165.3 cases per 1,000 people in 2014. Health insured persons are 92.1% of the district's residents, the biggest share in Bulgaria, and the infant mortality rate has traditionally been below the country average.

The district features a relatively high number of general practitioners compared to the average national levels, but a certain lack of cardiologists and internists has been noted.

### Security and Justice ●

Kyustendil District, along with Pernik and Sofia (capital city), received the lowest grade in the field of security and justice. The crime rate was lower in the district from the year 2000 to 2010 compared to the country average. The number of registered crimes against both the person and property exceeded their national counterparts in the next four years. No reversal of this trend can be seen as a tendency at this point.

82.0% of criminal cases, processed by the District Court, were closed in the first 3 months in 2013, which was the third lowest share after Blagoevgrad (80.0%) and Sofia, the capital city (81.0%). The share of pending criminal cases was also high, 10.6%, compared to the country average of 8.5%. This could partly be explained by the increased crime rate and the relatively high workload of judges who heard 1.2 criminal cases more than the national average, from 2009 to 2013.

### Environment ●●●

About 74% of the population lived in settlements with public sewerage systems in 2013, in 60.8% of cases connected to waste water treatment plants. These figures neared the country average, and connectivity to waste water treatment plants was even higher than the country average of 56.4%.

Emissions of carbon dioxide have gradually decreased but have remained the fourth highest among all districts – 668.9 t/sq. km in 2013 compared to the country's average of 293.9 t/sq. km. Higher levels have only been observed in the districts of Sofia (capital city), Stara Zagora and Varna. The district's expenditure on environmental protection has traditionally been lower than the country average. It reached 23.7 m BGN in 2013, which equalled 180 BGN per capita compared to the national average of 289 BGN per capita regarding the country.

### Culture ●●

Kyustendil has lagged behind most of Bulgaria's districts in cultural development, but has performed better than the neighbouring districts of Blagoevgrad and Pernik.

The annual average number of registered visits to theatres and libraries, in relation to the population, is 2.2 and 1.8 times, respectively, lower than the country average of 319 and 518 visits per 1,000 people. The number of visits to local cinemas reached 26,000 in 2014 compared to 9,000 the previous year, or 201 visits per 1,000 people compared to the country average of 706.

Museums in the district have reported a number of visits higher than the country average. This happened for the first time in 2014, when 107,800 visits were registered, or 835 visits per 1,000 people on average, compared to 662 visits per 1,000 people for Bulgaria.

## Key Indicators for the District of Kyustendil

Economic Development	2009	2010	2011	2012	2013	2014
GDP per capita (BGN, current prices)	5,236	5,772	5,991	5,915	n.a.	n.a.
Average annual income per household member (BGN)	3,537	3,355	3,534	3,508	3,593	3,966
Average annual gross salary (BGN)	5,454	5,891	6,219	6,444	6,880	n.a.
Relative share of people living below the district's poverty line (%)	13.1	16.7	19.3	14.6	n.a.	n.a.
Annual average economic activity rate of the population 15+ (%)	50.0	49.5	51.4	50.4	49.8	48.6
Annual average employment rate of the population 15+ (%)	45.7	45.0	43.7	43.2	42.4	41.7
Annual average unemployment rate (%)	8.6	9.0	14.9	14.2	14.9	14.2
Number of non-financial companies per 1,000 people	40	39	39	39	40	n.a.
Expenditure on the acquisition of fixed tangible assets per capita (BGN)	550	574	592	754	1,055	n.a.
Cumulative FDI to non-financial enterprises per capita (EUR)	109	111	190	247	300	n.a.
Relative share of households with Internet access (%)	22.9	21.4	35.2	31.7	52.4	39.9
Share of roads in good condition (%)	n.a.	49.1	49.8	50.0	46.4	46.4
Share of territory included in cadastral maps (%)	18.9	18.9	18.9	18.9	18.9	18.9

Social Development	2009	2010	2011	2012	2013	2014
Rate of natural increase (‰)	-9.1	-9.9	-10.8	-11.5	-11.4	-11.4
Net migration rate (‰)	-4.3	-7.6	-3.2	-4.9	-7.6	-6.7
Relative share of the population aged 25–64 with tertiary education (%)	17.7	17.2	20.7	19.4	22.5	23.7
Average grades at state matriculation exams	4.1	4.2	4.4	4.2	4.3	4.3
Percent of failed students at state matriculation exams	7.5	6.6	5.2	8.0	5.2	4.0
Health insured persons as share of the population (%)	88.8	88.2	91.8	91.3	90.5	92.1
Cases of hospitalization in general hospitals	176.9	159.1	160.3	231.0	238.4	165.3
Crimes against the property per 10,000 people	83.1	102.5	106.1	96.6	105.2	100.0
Share of pending criminal cases (%)	11.7	9.0	9.4	10.3	10.6	n.a.
Expenditure on environmental protection per capita (BGN)	98.2	87.7	117.5	201.6	180.1	n.a.
Share of the population living in settlements with public sewerage systems, connected to WTPP (%)	56.1	59.1	60.3	60.6	60.8	n.a.
Number of visits to cinemas per 1,000 people	0.0	0.0	131.9	86.0	67.7	201.3
Number of visits to theatres per 1,000 people	51.1	75.1	108.2	114.0	139.3	146.4